

**HUMBOLDT STATE UNIVERSITY  
SPONSORED PROGRAMS FOUNDATION**

**BASIC FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION,  
AND  
SINGLE AUDIT REPORTS**

**Including Schedules Prepared for  
Inclusion in the Financial Statements of the  
California State University**

**Years Ended June 30, 2019 and 2018**

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## **Report of Independent Auditors**

Board of Directors  
Humboldt State University Sponsored Programs Foundation  
Arcata, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of Humboldt State University Sponsored Programs Foundation (the Foundation), a component unit of Humboldt State University as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express the opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Foundation as of June 30, 2019, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Prior Period Financial Statements*

The financial statements of Humboldt State University Sponsored Programs Foundation as of June 30, 2018, were audited by other auditors whose report dated September 13, 2018, expressed an unmodified opinion on those statements.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents on pages 4 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the Foundation's basic financial statements. The schedule of net position, schedule of revenues, expenses, and changes in net position, other information, and note to supplementary information (supplementary information) as listed in the table of contents on pages 30 through 35 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and related notes on pages 40 through 50, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2019 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

*Moss Adams LLP*

Medford, Oregon  
September 10, 2019

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

## Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

This section of Humboldt State University Sponsored Programs Foundation (the Foundation) annual financial report presents the Foundation's discussion and analysis of the financial performance of the Foundation for the fiscal years ended June 30, 2019 and 2018. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

### **Introduction to the Financial Statements**

This report consists of a series of financial statements prepared in accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. This standard is applicable to the Foundation as it is a component unit of Humboldt State University (the University). Consistent with the University, the Foundation has adopted the business-type activity (BTA) reporting model to represent its activities.

The financial statements include the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows. These statements are supported by the notes to the financial statements and this section. All sections must be considered together to obtain a complete understanding of the financial picture of the Foundation.

**Statements of Net Position** – The statements of net position include all assets and liabilities. Assets and liabilities are generally reported on an accrual basis, as of the statement date. It also identifies major categories of restrictions on the net position of the Foundation.

**Statements of Revenues, Expenses, and Changes in Net Position** – The statements of revenues, expenses, and changes in net position present the revenues earned and expenses incurred during the years on an accrual basis.

**Statements of Cash Flows** – The statements of cash flows present the inflows and outflows of cash for the years and are summarized by operating, noncapital financing, capital and related financing, and investing activities. The statements are prepared using the direct method of cash flows and, therefore, present gross rather than net amounts for the year's activities.

### **Analytical Overview**

#### **Summary**

The following discussion highlights management's understanding of the key financial aspects of the Foundation's financial activities. Included are comparative analyses of current year and prior years' activities and balances and a discussion of restrictions of the Foundation's net position.

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

### Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

The Foundation's condensed summary of net position as of June 30 is as follows:

|                              | 2019          | 2018          | 2017          |
|------------------------------|---------------|---------------|---------------|
| Assets:                      |               |               |               |
| Current assets               | \$ 13,422,920 | \$ 12,007,735 | \$ 10,579,440 |
| Capital assets, net          | 561,688       | 2,113,878     | 1,996,151     |
| Other noncurrent assets      | 300           | 300           | 19,500        |
| Total assets                 | 13,984,908    | 14,121,913    | 12,595,091    |
| Liabilities:                 |               |               |               |
| Current liabilities          | 5,415,214     | 4,122,951     | 3,991,846     |
| Other noncurrent liabilities | 175,528       | 278,878       | 133,936       |
| Total liabilities            | 5,590,742     | 4,401,829     | 4,125,782     |
| Net position:                |               |               |               |
| Investment in capital assets | 561,688       | 2,113,878     | 1,996,151     |
| Restricted for:              |               |               |               |
| Expendable                   | —             | —             | 34,256        |
| Unrestricted                 | 7,832,478     | 7,606,206     | 6,438,902     |
| Total net position           | \$ 8,394,166  | \$ 9,720,084  | \$ 8,469,309  |

### **Assets**

Total assets decreased \$0.1 million from FY 2018 to FY 2019 due to a \$1.4 million increase in current assets and a \$1.6 million decrease in capital assets, net of accumulated depreciation due to transferring capital assets in the current year. Total assets increased \$1.5 million from FY 2017 to FY 2018 due to a \$1.4 million increase in current assets and a \$0.1 million increase in capital assets, net of accumulated depreciation due to purchasing capital assets in the current year.

Current assets increased \$1.4 million from FY 2018 to FY 2019 due to a decrease in cash and cash equivalents of \$2.3 million, decrease in short-term investments of \$1.0 million and increase in accounts receivable, net of \$4.7 million. Current assets increased \$1.4 million from FY 2017 to FY 2018 due to an increase in cash and cash equivalents of \$1.4 million.

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

### Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

#### **Capital Assets**

Capital assets, net of accumulated depreciation, are shown below:

|   | June 30    |              |              |
|---|------------|--------------|--------------|
|   | 2019       | 2018         | 2017         |
| Land and land improvements                            | \$ —       | \$ 724,756   | \$ 724,756   |
| Works of art and historical treasures                 | 25,000     | 25,000       | 25,000       |
| Construction work in progress                         | 71,604     | —            | 162,547      |
| Buildings   | 115,679    | 789,688      | 465,171      |
| Equipment - net                                       | 344,295    | 567,864      | 618,677      |
| Computer Software                                     | 5,110      | 6,570        | —            |
| Total capital assets, net of accumulated depreciation | \$ 561,688 | \$ 2,113,878 | \$ 1,996,151 |

Capital assets decreased by \$1.6 million from FY 2018 to FY 2019 primarily due to land and buildings of \$1.0 million were transferred to Humboldt State University Real Estate Holdings, a building upgrade of \$0.3 million and equipment of \$0.3 million was transferred to Humboldt State University, \$0.2 million construction work in progress and equipment additions, offset by \$0.1 million in depreciation expense. Capital assets increased by \$0.1 million from FY 2017 to FY 2018 primarily due to an additional \$0.2 million construction work in progress being completed and transferring \$0.4 million to buildings, equipment of \$0.2 million was transferred to Humboldt State University and equipment additions of \$0.2 million, offset by \$0.1 million in depreciation expense.

#### **Liabilities**

Total liabilities increased \$1.2 million from FY 2018 to FY 2019 due to a \$1.2 million increase in accounts payable and unearned revenue. Significant increases in payables are due to two large grants that were awarded in FY 2019. Total liabilities increased \$0.3 million from FY 2017 to FY 2018 due to a \$0.3 million increase in accounts payable, accrued salaries and benefits payable, accrued compensated absences and unearned revenue.

The Foundation opened a line of credit with a bank on October 13, 2016. The loan is secured by all accounts receivable. The loan agreement is available for short-term cash needs, with a maximum amount available of \$2.0 million. The agreement requires monthly interest-only payments at a variable interest rate of 0.75% above the bank's reference rate. The loan agreement expires on October 15, 2019. There were no amounts outstanding on the loan as of June 30, 2019 and 2018, respectively.

#### **Net Position**

Total net position decreased \$1.3 million from FY 2018 to FY 2019 and increased \$1.3 million from FY 2017 to FY 2018 due to the net income generated for the year ended June 30, 2019 and 2018, respectively. Restricted expendable net position represents assets, net of related liabilities that are subject to externally imposed conditions that can be fulfilled by the actions of the Foundation's Board of Directors. Unrestricted net position represents all other net resources available to the Foundation for general institutional and research-related obligations.

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

### Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

### Operating Results

The Foundation's condensed summary of revenues, expenses, and changes in net position for the years ended June 30 is as follows:

#### Condensed Summary of Revenues, Expenses, and Changes in Net Position

|   | 2019          | 2018          | 2017          |
|---|---------------|---------------|---------------|
| Operating revenues:                         |               |               |               |
| Grants and contracts, noncapital            | \$ 27,671,457 | \$ 25,121,645 | \$ 23,286,007 |
| Indirect cost revenue                       | 2,594,610     | 2,582,202     | 2,245,492     |
| Other operating revenues                    | 226,433       | 321,413       | 225,177       |
| Total operating revenues                    | 30,492,500    | 28,025,260    | 25,756,676    |
| Operating expenses                          | (30,156,976)  | (26,641,798)  | (25,187,359)  |
| Operating income (loss)                     | 335,524       | 1,383,462     | 569,317       |
| Nonoperating revenues (expenses):           |               |               |               |
| Gifts, noncapital                           | -             | 3,776         | 71,138        |
| Investment income, net                      | 46,950        | 14,661        | 22,675        |
| Other nonoperating revenues (expenses), net | (9,440)       | -             | -             |
| Net nonoperating revenues (expenses)        | 37,510        | 18,437        | 93,813        |
| Income before other additions               | 373,034       | 1,401,899     | 663,130       |
| Transfers to other campus entities          | (1,698,952)   | (151,124)     | (638,262)     |
| Increase in net position                    | (1,325,918)   | 1,250,775     | 24,868        |
| Net position at beginning of year           | 9,720,084     | 8,469,309     | 8,444,441     |
| Net position at end of year                 | \$ 8,394,166  | \$ 9,720,084  | \$ 8,469,309  |

### ***Operating Revenues and Expenses***

Operating revenues and expenses come from sources that are connected directly to the Foundation's primary business function. This includes revenues from categories such as certain grants and contracts that will be used for noncapital purposes and sales and services of auxiliary enterprises. Expenses include categories such as salaries, benefits, supplies and other services, scholarships and fellowships, and depreciation. In this discussion and analysis, expenses are reported by functional programs such as instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, scholarships and fellowships, auxiliary enterprise, and depreciation.

# HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

## Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

### Operating Revenues

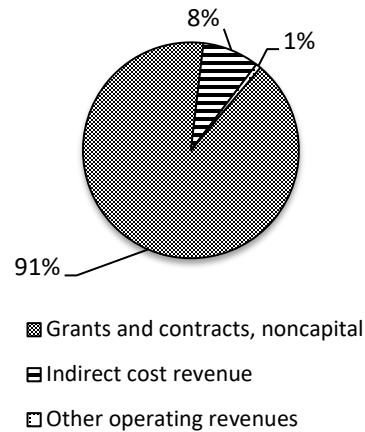
Total operating revenues increased \$2.5 million, or 9%, from FY 2018 to FY 2019 due to a \$2.6 million increase in grants and contracts, noncapital and a \$0.1 million decrease in other operating revenues. The increase in grants and contracts, noncapital is due to an increase in state, local and nongovernmental grants and a decrease in the federal grants project activity. The decrease in other operating revenues is the result of a decrease in administrative fees.

Total operating revenues increased \$2.3 million, or 9%, from FY 2017 to FY 2018 due to a \$2.0 million increase in grants and contracts, noncapital and a \$0.3 million increase in indirect cost revenue. The increase in grants and contracts, noncapital is due to an increase in project activity related to federal, state, local and nongovernmental grants. The increase in indirect cost revenue is the result of an increase in grants and contracts activity.

The following charts present the proportional share that each category of operating revenues contributed to the total for fiscal years 2019, 2018 and 2017:

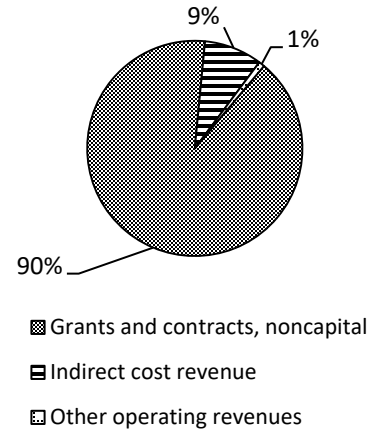
**Operating Revenues**  
Year ended June 30, 2019

|                                   |                      |              |
|-----------------------------------|----------------------|--------------|
| Grants and contracts, noncapital: |                      |              |
| Federal                           | \$ 10,491,785        | 34.5         |
| State                             | 11,589,130           | 38.0         |
| Local                             | 1,063,753            | 3.5          |
| Nongovernmental                   | 4,526,789            | 14.8         |
| Indirect cost revenue             | 2,594,610            | 8.5          |
| Other operating revenues          | <u>226,433</u>       | <u>0.7</u>   |
| Total operating revenues          | <u>\$ 30,492,500</u> | <u>100.0</u> |



**Operating Revenues**  
Year Ended June 30, 2018

|                                   |                      |                |
|-----------------------------------|----------------------|----------------|
| Grants and contracts, noncapital: |                      |                |
| Federal                           | \$ 11,155,965        | 39.9 %         |
| State                             | 8,802,612            | 31.4           |
| Local                             | 701,821              | 2.5            |
| Nongovernmental                   | 4,461,247            | 15.9           |
| Indirect cost revenue             | 2,582,202            | 9.2            |
| Other operating revenues          | <u>321,413</u>       | <u>1.1</u>     |
| Total operating revenues          | <u>\$ 28,025,260</u> | <u>100.0 %</u> |



# HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

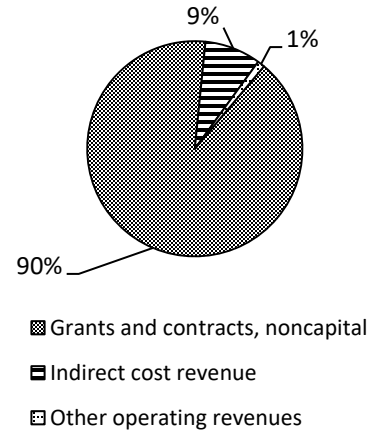
## Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

### Operating Revenues

Year Ended June 30, 2017

|                                   |                      |                |
|-----------------------------------|----------------------|----------------|
| Grants and contracts, noncapital: |                      |                |
| Federal                           | \$ 10,490,511        | 40.7 %         |
| State                             | 8,458,525            | 32.9           |
| Local                             | 677,394              | 2.6            |
| Nongovernmental                   | 3,659,577            | 14.2           |
| Indirect cost revenue             | 2,245,492            | 8.7            |
| Other operating revenues          | <u>225,177</u>       | <u>0.9</u>     |
| Total operating revenues          | <u>\$ 25,756,676</u> | <u>100.0 %</u> |



### Operating Expenses

Total operating expenses increased by \$3.5 million, or 13%, from FY 2018 to FY 2019 primarily due to a \$4.7 million aggregated increase in instruction, research, public service, scholarships and fellowships and auxiliary enterprises, offset by a \$1.2 million aggregated decrease in academic support, student services, institutional support and depreciation. The \$3.5 million increase is primarily related to increase spending in the FY 2019 on grants and contracts.

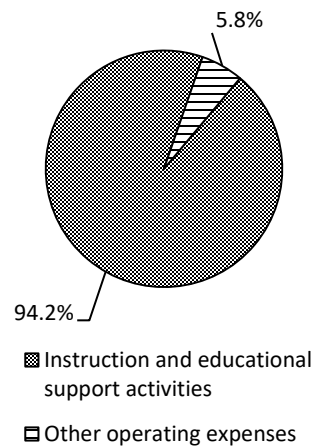
Total operating expenses increased by \$1.5 million, or 6%, from FY 2017 to FY 2018 primarily due to a \$2.2 million aggregated increase in public service, academic support, scholarships and fellowships, auxiliary enterprises and depreciation, offset by a \$0.7 million aggregated decrease in instruction, research, student services, institutional support and operation and maintenance of plant. The \$1.5 million increase is primarily related to increase spending in the FY 2018 on grants and contracts.

The following charts present the distribution of resources in support of the Foundation's mission for fiscal years 2019, 2018 and 2017:

### Operating Expenses

Year ended June 30, 2019

|  |                      |                |
|--|----------------------|----------------|
| Instruction  | \$ 895               | 0.1 %          |
| Research   | 14,407,231           | 47.7           |
| Public service                                       | 12,514,103           | 41.4           |
| Academic support                                     | 456,456              | 1.5            |
| Student services                                     | 656,020              | 2.2            |
| Scholarships and fellowships                         | <u>399,312</u>       | <u>1.3</u>     |
| Total instruction and educational support activities | <u>28,434,017</u>    | <u>94.2</u>    |
| Institutional support                                | 1,159                | 0.1            |
| Auxiliary enterprises                                | 1,617,665            | 5.4            |
| Depreciation   | 104,135              | 0.3            |
| Total other operating expenses                       | <u>1,722,959</u>     | <u>5.8</u>     |
| Total operating expenses                             | <u>\$ 30,156,976</u> | <u>100.0 %</u> |



# HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

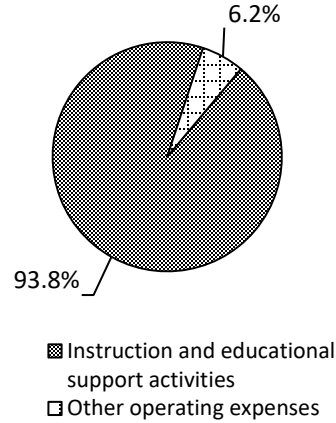
## Management's Discussion and Analysis

June 30, 2019, 2018 and 2017

### Operating Expenses

Year ended June 30, 2018

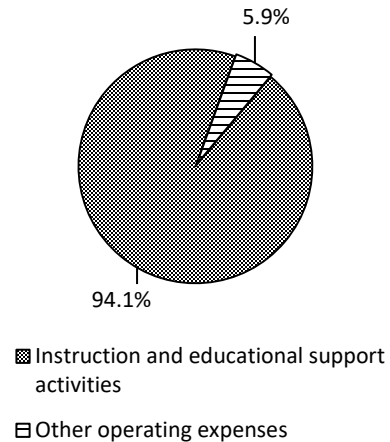
|   |                             |                       |
|---|-----------------------------|-----------------------|
| Instruction   | \$ —                        | 0.0 %                 |
| Research  | 11,962,473                  | 44.9                  |
| Public service  | 10,542,094                  | 39.6                  |
| Academic support  | 1,435,846                   | 5.3                   |
| Student services  | 801,065                     | 3.0                   |
| Scholarships and fellowships                                | <u>289,870</u>              | <u>1.0</u>            |
| <b>Total instruction and educational support activities</b> | <b><u>25,031,348</u></b>    | <b><u>93.8</u></b>    |
| Institutional support                                       | 18,959                      | 0.1                   |
| Auxiliary enterprises                                       | 1,460,200                   | 5.5                   |
| Depreciation  | <u>131,291</u>              | <u>0.6</u>            |
| <b>Total other operating expenses</b>                       | <b><u>1,610,450</u></b>     | <b><u>6.2</u></b>     |
| <b>Total operating expenses</b>                             | <b><u>\$ 26,641,798</u></b> | <b><u>100.0 %</u></b> |



### Operating Expenses

Year Ended June 30, 2017

|   |                             |                       |
|---|-----------------------------|-----------------------|
| Instruction   | \$ 1,053                    | 0.1 %                 |
| Research  | 12,575,929                  | 49.9                  |
| Public service  | 9,281,262                   | 36.8                  |
| Academic support  | 722,137                     | 2.8                   |
| Student services  | 867,846                     | 3.5                   |
| Scholarships and fellowships                                | <u>265,899</u>              | <u>1.0</u>            |
| <b>Total instruction and educational support activities</b> | <b><u>23,714,126</u></b>    | <b><u>94.1</u></b>    |
| Institutional support                                       | 60,982                      | 0.2                   |
| Operation and maintenance of plant                          | 14,017                      | 0.1                   |
| Auxiliary enterprises                                       | 1,271,643                   | 5.0                   |
| Depreciation  | <u>126,591</u>              | <u>0.6</u>            |
| <b>Total other operating expenses</b>                       | <b><u>1,473,233</u></b>     | <b><u>5.9</u></b>     |
| <b>Total operating expenses</b>                             | <b><u>\$ 25,187,359</u></b> | <b><u>100.0 %</u></b> |



### **Nonoperating Revenues (Expenses)**

Nonoperating revenues (expenses) come from sources that are not part of the Foundation's primary business functions. Included in this classification are categories such as gifts, noncapital, investment income, net, and other nonoperating revenue (expenses), net.

Total nonoperating revenues (expenses) increased \$0.02 million from the FY 2018 to FY 2019 primarily due to an increase in investment income, net.

Total nonoperating revenues (expenses) decreased \$0.8 million from the FY 2017 to FY 2018 primarily due to a decrease in gifts, noncapital.

## **HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

### **Management's Discussion and Analysis**

June 30, 2019, 2018 and 2017

#### ***Transfers to other campus entities***

Transfers to other campus entities increased \$1.6 million from FY 2018 to FY 2019 primarily related to an increase in land and buildings of \$1.0 million transferred to Humboldt State University Real Estate Holdings and building improvements of \$0.3 and equipment of \$0.3 million transferred to Humboldt State University.

Transfers to other campus entities decreased \$0.5 million from FY 2017 to FY 2018 primarily related to a decrease of the Foundation's transfer of custodial trust accounts of \$0.6 million to Humboldt State University and Humboldt State University Real Estate Holdings, offset by an increase in equipment of \$0.1 million transferred to Humboldt State University.

#### **Factors That Will Affect the Future**

##### ***Indirect Cost Revenue***

Indirect cost revenue is a factor that greatly affects the Foundation's ability to build and maintain a reserve adequate enough for supporting the grant and contract activity of the Foundation. Indirect cost revenue is earned as a percentage of spending on awarded grant and contracts. Indirect cost rates are generally dictated by the grant funder and are contractually agreed upon on all grants and contracts. Indirect cost revenue increased \$0.01 million, or 0.4%, from FY 2018 to FY 2019 and \$0.3 million, or 15%, from FY 2017 to FY 2018 due to an increase in grants and contracts activity.

##### ***Continued University Support***

The pre-award and compliance functionality of the Foundation is financially supported by the University as a state function. Volatility in state-supported funding could potentially affect the level of support provided by the state in future periods, which in turn could affect the pre-award and compliance functions of the Foundation. Management does not believe that level of support to the Foundation will decrease in the next fiscal period.

#### **Contact Information**

This financial report is designed to provide a general overview of the auxiliary's finances. If you have questions about this report or need additional financial information, contact the Sponsored Programs Foundation of Humboldt State University, 1 Harpst Street, Arcata, CA 95521.

## **BASIC FINANCIAL STATEMENTS**

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Statements of Net Position  
June 30, 2019 and 2018

| Assets  | 2019                       | 2018                       |
|---|----------------------------|----------------------------|
| Current assets  |                            |                            |
| Cash and cash equivalents                               | \$ 1,386,405               | \$ 3,702,912               |
| Short-term investments                                  | 322,779                    | 1,293,439                  |
| Accounts receivable, net                                | 11,604,718                 | 6,894,564                  |
| Prepaid expenses and other assets                       | 109,018                    | 116,820                    |
| Total current assets                                    | <u>13,422,920</u>          | <u>12,007,735</u>          |
| Noncurrent assets                                       |                            |                            |
| Long-term investments                                   | 300                        | 300                        |
| Capital assets, net                                     | 561,688                    | 2,113,878                  |
| Total noncurrent assets                                 | <u>561,988</u>             | <u>2,114,178</u>           |
| <b>Total assets</b>                                     | <b><u>13,984,908</u></b>   | <b><u>14,121,913</u></b>   |
| <b>Liabilities</b>                                      |                            |                            |
| Current liabilities                                     |                            |                            |
| Accounts payable  | 2,480,197                  | 1,397,880                  |
| Accrued salaries and benefits payable                   | 615,947                    | 569,520                    |
| Accrued compensated absences – current portion          | 160,782                    | 166,926                    |
| Unearned revenue – current portion                      | 2,146,894                  | 1,966,946                  |
| Other liabilities                                       | 11,394                     | 21,679                     |
| Total current liabilities                               | <u>5,415,214</u>           | <u>4,122,951</u>           |
| Noncurrent liabilities                                  |                            |                            |
| Accrued compensated absences, net of<br>current portion | 89,247                     | 76,737                     |
| Unearned revenue, net of current portion                | 86,281                     | 202,141                    |
| Total noncurrent liabilities                            | <u>175,528</u>             | <u>278,878</u>             |
| <b>Total liabilities</b>                                | <b><u>5,590,742</u></b>    | <b><u>4,401,829</u></b>    |
| <b>Net position</b>                                     |                            |                            |
| Investment in capital assets                            | 561,688                    | 2,113,878                  |
| Unrestricted  | 7,832,478                  | 7,606,206                  |
| <b>Total net position</b>                               | <b><u>\$ 8,394,166</u></b> | <b><u>\$ 9,720,084</u></b> |

See accompanying notes.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

**Statements of Revenues, Expenses, and Changes in Net Position  
Years Ended June 30, 2019 and 2018**

| Revenues:                                   | <u>2019</u>         | <u>2018</u>         |
|---|---------------------|---------------------|
| Operating revenues:                         |                     |                     |
| Grants and contracts, noncapital:           |                     |                     |
| Federal                                     | \$ 10,491,785       | \$ 11,155,965       |
| State                                       | 11,589,130          | 8,802,612           |
| Local                                       | 1,063,753           | 701,821             |
| Nongovernmental                             | 4,526,789           | 4,461,247           |
| Indirect cost revenue                       | 2,594,610           | 2,582,202           |
| Other operating revenues                    | 226,433             | 321,413             |
| Total operating revenues                    | <u>30,492,500</u>   | <u>28,025,260</u>   |
| Expenses:                                   |                     |                     |
| Operating expenses:                         |                     |                     |
| Instruction                                 | 895                 | -                   |
| Research                                    | 14,407,231          | 11,962,473          |
| Public service                              | 12,514,103          | 10,542,094          |
| Academic support                            | 456,456             | 1,435,846           |
| Student services                            | 656,020             | 801,065             |
| Institutional support                       | 1,159               | 18,959              |
| Scholarships and fellowships                | 399,312             | 289,870             |
| Auxiliary enterprises                       | 1,617,665           | 1,460,200           |
| Depreciation                                | 104,135             | 131,291             |
| Total operating expenses                    | <u>30,156,976</u>   | <u>26,641,798</u>   |
| Operating income                            | <u>335,524</u>      | <u>1,383,462</u>    |
| Nonoperating revenues (expenses):           |                     |                     |
| Gifts, noncapital                           | -                   | 3,776               |
| Investment income, net                      | 46,950              | 14,661              |
| Other nonoperating revenues (expenses), net | (9,440)             | -                   |
| Net nonoperating revenues                   | <u>37,510</u>       | <u>18,437</u>       |
| Income before other additions               | 373,034             | 1,401,899           |
| Transfers to other campus entities          | <u>(1,698,952)</u>  | <u>(151,124)</u>    |
| Increase (decrease) in net position         | (1,325,918)         | 1,250,775           |
| Net position:                               |                     |                     |
| Net position at beginning of year           | 9,720,084           | 8,469,309           |
| Net position at end of year                 | <u>\$ 8,394,166</u> | <u>\$ 9,720,084</u> |

See accompanying notes.

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

|  | <u>2019</u>                       | <u>2018</u>                       |
|--|-----------------------------------|-----------------------------------|
| <b>Cash flows from operating activities:</b>                     |                                   |                                   |
| Received from customers  | \$ 25,848,469                     | \$ 28,193,501                     |
| Payments to employees and fringe benefits                        | (14,054,018)                      | (12,492,739)                      |
| Payments to vendors and suppliers                                | (14,617,343)                      | (13,458,910)                      |
| Payments for scholarships and fellowships                        | (248,853)                         | (469,061)                         |
| <b>Net cash used in operating activities</b>                     | <b><u>(3,071,745)</u></b>         | <b><u>1,772,791</u></b>           |
| <b>Cash flows from noncapital financing activities:</b>          |                                   |                                   |
| Noncapital gifts received  | -                                 | 3,776                             |
| <b>Net cash provided by noncapital financing activities</b>      | <b><u>-</u></b>                   | <b><u>3,776</u></b>               |
| <b>Cash flows from capital and related financing activities:</b> |                                   |                                   |
| Acquisition and construction of capital assets                   | (260,337)                         | (400,142)                         |
| <b>Net cash used in capital and related financing activities</b> | <b><u>(260,337)</u></b>           | <b><u>(400,142)</u></b>           |
| <b>Cash flows from investing activities:</b>                     |                                   |                                   |
| Proceeds from sales of investments                               | -                                 | 2,800                             |
| Investment income  | 44,915                            | 27,867                            |
| Transfers (to)/from cash, net of interest earned                 | 970,660                           | (15,107)                          |
| <b>Net cash provided by investing activities</b>                 | <b><u>1,015,575</u></b>           | <b><u>15,560</u></b>              |
| <b>Net increase (decrease) in cash and cash equivalents</b>      | <b>(2,316,507)</b>                | <b>1,391,985</b>                  |
| Cash and cash equivalents at beginning of year                   | 3,702,912                         | 2,310,927                         |
| <b>Cash and cash equivalents at end of year</b>                  | <b>\$ <u><u>1,386,405</u></u></b> | <b>\$ <u><u>3,702,912</u></u></b> |
| <b>Reconciliation to cash per Statements of Net Position</b>     |                                   |                                   |
| Cash and cash equivalents  | \$ 1,386,405                      | \$ 3,702,912                      |
| Total cash and cash equivalents at end of year                   | <b>\$ <u><u>1,386,405</u></u></b> | <b>\$ <u><u>3,702,912</u></u></b> |

See accompanying notes.

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

|  | <u>2019</u>           | <u>2018</u>         |
|--|-----------------------|---------------------|
| <b>Reconciliation of operating income to net cash used in operating activities:</b>        |                       |                     |
| Operating income   | \$ 335,524            | \$ 1,383,462        |
| <b>Adjustments to reconcile operating income to net cash used in operating activities:</b> |                       |                     |
| Depreciation expense   | 104,135               | 131,291             |
| <b>Changes in assets and liabilities:</b>  |                       |                     |
| Receivables, net   | (4,708,119)           | 44,225              |
| Prepaid items  | 7,802                 | (62,234)            |
| Accounts payable and accrued liabilities   | 1,112,315             | 155,777             |
| Unearned revenue, current  | 179,948               | (24,672)            |
| Compensated absences and unearned revenue, noncurrent                                      | (103,350)             | 144,942             |
| Total adjustments  | <u>(3,407,269)</u>    | <u>389,329</u>      |
| <b>Net cash used in operating activities</b>   | <u>\$ (3,071,745)</u> | <u>\$ 1,772,791</u> |
| <b>Noncash investing, capital, and financing activities:</b>                               |                       |                     |
| Capital asset transfers, net of depreciation   | \$ 1,708,392          | \$ 151,124          |
| Increase in receivables related to nonoperating income                                     | \$ 2,035              | \$ 3,194            |

See accompanying notes.

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

### (1) Organization

Humboldt State University Sponsored Programs Foundation (the Foundation) is a nonprofit, tax-exempt corporation, incorporated in 1952 under the provisions of section 501(c)(3) of the Internal Revenue Code. The Foundation is organized to administer grants from governmental and private agencies for research and other activities related to the programs of Humboldt State University (the University). The Foundation is an auxiliary organization of the University and the California State University System (the System). As an affiliated organization component unit of the University, the Foundation's financial data will be included in the consolidated financial statements of the University and the System.

#### ***Summary of Significant Accounting Policies***

##### **(a) Basis of Presentation**

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles, as prescribed by the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The financial statements required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. The basic financial statements include the accounts of the Foundation, including its research activities performed on behalf of the University. The Foundation is a component unit of the University, a public university under the California State University system. The Foundation has elected to use the reporting model for special-purpose governments engaged only in business-type activities. In accordance with the business-type activities reporting model, the University prepares its statement of cash flows using the direct method.

##### **(b) Classification of Current and Noncurrent Assets (Other Than Investments) and Liabilities**

The Foundation considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statement of net position date. Liabilities that reasonably can be expected, as part of normal Foundation business operations, to be liquidated within 12 months of the statement of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent. For classification of current and noncurrent investments, refer to Note 2.

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

### **(c) Cash and Cash Equivalents**

The Foundation considers all highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. The Foundation considers amounts included in the Local Agency Investment Fund (LAIF) to be investments.

### **(d) Investments**

All investments are reported at fair value in accordance with GASB 72. Investments are reflected at fair value using quoted market prices, where available, otherwise they are recorded at estimated fair value. Realized and unrealized gains and losses are included in the accompanying statement of revenues, expenses, and changes in net position as investment income, net or as Investment loss, net.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair market value measurement. There were no Level 3 investments to report.

Investments that are used for current operations are classified as short-term investments. Investments that are restricted for withdrawal or use for other than current operations and restricted as to the liquidity of the investments are classified as long-term investments.

### **(e) Accounts Receivable**

Accounts receivable, net primarily consists of billed and unbilled amounts due from the federal government, state and local governments, and private sources in connection with reimbursement of allowable expenditures made pursuant to contracts and grants.

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

### Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

The Foundation provides a reserve for uncollectible accounts based upon a review of outstanding receivables. Accounts receivable, net considered uncollectible are charged against the reserve account in the year they are deemed to be uncollectible. The reserve for uncollectible accounts was \$8,346 and \$0 for the fiscal years ending June 30, 2019 and 2018, respectively.

**(f) Capital Assets**

Capital assets, net are stated at cost or estimated historical cost if purchased, or if donated, at estimated fair value at date of donation. Capital assets, net with a value of \$5,000 or more and with a useful life of one year or more are capitalized. Capital assets, net with the exception of land and land improvements, works of art and historical treasures, computer software and construction work in progress, are depreciated on a straight-line basis over their estimated useful lives, which range from 5 to 30 years. Works of art and historical treasures are valued at cost if purchased or the acquisition value at the date of donation if contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

Depreciation expense is shown separately in the statements of revenues, expenses, and changes in net position rather than being allocated among other categories of operating expenses.

**(g) Unearned Revenue**

Unearned revenue consists primarily of grant and contract funds received in advance which have not been earned under the terms of the grant and contract agreement.

**(h) Compensated Absences**

Compensated absences consist of vacation leave earned by employees based on services rendered. Employees may accumulate up to 240 hours of vacation depending on years of service. Upon termination of employment, all unused vacation benefits are paid to employees. Accordingly, vacation benefits are accrued as a liability.

Generally, sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with the employee. Therefore, a liability for sick leave benefits is not accrued.

**(i) Net Position**

The Foundation's net position is classified into the following net position categories:

**Investment in capital assets** – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

**Unrestricted** – All other categories of net position. In addition, unrestricted net position may be designated for use by management of the Foundation. These designations limit the area of operations for which expenditures of net position may be made and require that unrestricted net position be designated to support future operations in these areas.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

**(j) Classification of Revenues and Expenses**

The Foundation considers operating revenues and operating expenses in the statements of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly to the Foundation’s primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services.

Included in operating revenues and operating expenses are those activities related to the grant and contract transactions of the Foundation. Program grants and contracts represent funds obtained from external agencies for the support of the mission of the Foundation and of the University. Revenue from grants and contracts is recognized when expensed for the purpose specified is incurred. Amounts received in excess of expenses incurred as of the financial statements date are classified as unearned revenue.

Certain other transactions are reported as nonoperating revenues (expenses) in accordance with GASB Statement No. 35. These nonoperating activities include the Foundation’s investment income, net; and gifts, noncapital.

**(k) Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the accompanying financial statements. Actual results could differ from those estimates.

**(2) Cash and Cash Equivalents and Investments**

The Foundation’s cash and cash equivalents and investments as of June 30, 2019 and 2018 are classified in the accompanying statements of net position as follows:

|   | <u>2019</u>                | <u>2018</u>                |
|---|----------------------------|----------------------------|
| Cash and cash equivalents                       | \$ 1,386,405               | \$ 3,702,912               |
| Total cash and cash equivalents                 | <u>1,386,405</u>           | <u>3,702,912</u>           |
| Short-term investments - Net asset value        | 322,779                    | 1,293,439                  |
| Other long-term investments - Level 2           | <u>300</u>                 | <u>300</u>                 |
| Total investments                               | <u>323,079</u>             | <u>1,293,739</u>           |
| Total cash, cash equivalents<br>and investments | \$ <u><u>1,709,484</u></u> | \$ <u><u>4,996,651</u></u> |

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

### **(a) Cash and Cash Equivalents**

Cash and cash equivalents consisted of demand deposits held at commercial banks and petty cash. Total cash and cash equivalents of \$1,386,405 and \$3,702,912 had a corresponding carrying balance with the commercial banks of \$1,868,718 and \$4,004,397 at June 30, 2019 and 2018, respectively. The differences related primarily to deposits in transit and outstanding checks.

#### **Custodial Credit Risk for Deposits**

The Foundation maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor. At June 30, 2019 and 2018, the Foundation's uninsured, uncollateralized cash balances were \$1,618,627 and \$3,754,306, respectively.

Management periodically assesses the financial condition of the institutions and believes that the Foundation is not exposed to any significant custodial credit risk related to cash.

### **(b) Short-term Investments**

At June 30, 2019 and 2018, the Foundation's short-term investments portfolio consists entirely of investments in the Local Agency Investment Fund (LAIF), a voluntary program created by statute as an alternative for California's local governments and special districts that allow affiliates to participate in a major investment portfolio. It is under the administration of the California State Treasurer's Office. LAIF is valued at net asset value calculated by fair market value of the pool divided by the amortized cost of the investments in the pool. Withdrawals can be made within 24 hours. There are no significant interest rate risks or credit risks to be disclosed in accordance with GASB Statement No. 40, Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3.

The investment is not insured. However, these funds are invested in accordance with California Government Code Sections 16430 and 16480, the stated investment authority for the Pooled Money Investment Account. At June 30, 2019 and 2018, cash in LAIF was \$322,779 and \$1,293,439, respectively.

### **(c) Long-term Investments**

For the year ended June 30, 2019 and 2018, long-term investments consist of three shares of Baywood Golf and Country Club capital stock. All investments are stated at their fair market value. The fair value of the Baywood stock is based on estimated current selling price per share.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

Long-term investment activity for the years ended June 30, 2019 and 2018 consisted of the following:

|                            | <u>Balance at June<br/>30, 2018</u> | <u>Purchases/<br/>Additions</u> | <u>(Settlements)/<br/>Deletions</u> | <u>Balance at June<br/>30, 2019</u> |
|----------------------------|-------------------------------------|---------------------------------|-------------------------------------|-------------------------------------|
| Stock                      | \$ 300                              | \$ —                            | \$ —                                | \$ 300                              |
| Land and other real estate | —                                   | —                               | -                                   | —                                   |
| Total                      | <u>\$ 300</u>                       | <u>\$ —</u>                     | <u>\$ -</u>                         | <u>\$ 300</u>                       |
|                            | <u>Balance at June<br/>30, 2017</u> | <u>Purchases/<br/>Additions</u> | <u>(Settlements)/<br/>Deletions</u> | <u>Balance at June<br/>30, 2018</u> |
| Stock                      | \$ 300                              | \$ —                            | \$ —                                | \$ 300                              |
| Land and other real estate | 19,200                              | —                               | (19,200)                            | —                                   |
| Total                      | <u>\$ 19,500</u>                    | <u>\$ —</u>                     | <u>\$ (19,200)</u>                  | <u>\$ 300</u>                       |

Investment income, net for the year ended June 30, 2019 and 2018, is summarized as follows:

|                 | <u>2019</u>      | <u>2018</u>      |
|-----------------|------------------|------------------|
| Interest income | \$ 46,950        | \$ 14,661        |
| Total           | <u>\$ 46,950</u> | <u>\$ 14,661</u> |

**(3) Accounts Receivable**

Billed and unbilled accounts receivables, net as of June 30, 2019 and 2018 are summarized as follows:

|                                       | <u>2019</u>          | <u>2018</u>         |
|---------------------------------------|----------------------|---------------------|
| Federal grants and contracts          | \$ 2,416,237         | \$ 1,838,962        |
| State and local grants and contracts  | 8,122,027            | 3,922,537           |
| Non-governmental grants and contracts | 1,055,625            | 1,066,525           |
| Other receivables                     | 10,829               | 66,540              |
| Total                                 | <u>\$ 11,604,718</u> | <u>\$ 6,894,564</u> |

The allowance for uncollectible accounts is \$8,346 and \$0 for the years ended June 30, 2019 and 2018, respectively. Unbilled grant and contract receivables are \$9,418,309 and \$5,178,456 as of June 30, 2019 and 2018, respectively. The accounts receivable are pledged as collateral for the \$2.0 million line of credit at a bank.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

**(4) Capital Assets**

Capital assets activity for the year ended June 30, 2019, consisted of the following:

|   | <u>Balance,<br/>June 30, 2018</u> |    | <u>Additions</u> |    | <u>Retirements</u> |    | <u>Balance,<br/>June 30, 2019</u> |
|---|-----------------------------------|----|------------------|----|--------------------|----|-----------------------------------|
| Nondepreciable/nonamortizable capital assets: |                                   |    |                  |    |                    |    |                                   |
| Land and land improvements                    | 724,756                           | \$ | —                | \$ | (724,756)          | \$ | —                                 |
| Works of art and historical treasures         | 25,000                            |    | —                |    | —                  |    | 25,000                            |
| Construction work in progress                 | —                                 |    | 71,604           |    | —                  |    | 71,604                            |
|   |                                   |    |                  |    |                    |    |                                   |
| Total nondepreciable capital assets           | <u>749,756</u>                    |    | <u>71,604</u>    |    | <u>(724,756)</u>   |    | <u>96,604</u>                     |
| Depreciable/amortizable capital assets:       |                                   |    |                  |    |                    |    |                                   |
| Buildings                                     | 1,270,295                         |    | —                |    | (862,015)          |    | 408,280                           |
| Personal property:                            |                                   |    |                  |    |                    |    |                                   |
| Equipment                                     | 962,283                           |    | 188,733          |    | (510,107)          |    | 640,909                           |
| Computer Software                             | 7,300                             |    | —                |    | —                  |    | 7,300                             |
|   |                                   |    |                  |    |                    |    |                                   |
| Total depreciable capital assets              | <u>2,239,878</u>                  |    | <u>188,733</u>   |    | <u>(1,372,122)</u> |    | <u>1,056,489</u>                  |
|   |                                   |    |                  |    |                    |    |                                   |
| Total cost                                    | <u>2,989,634</u>                  |    | <u>260,337</u>   |    | <u>(2,096,878)</u> |    | <u>1,153,093</u>                  |
| Less accumulated depreciation/amortization:   |                                   |    |                  |    |                    |    |                                   |
| Buildings                                     | (480,608)                         |    | (27,976)         |    | 215,983            |    | (292,601)                         |
| Personal property:                            |                                   |    |                  |    |                    |    |                                   |
| Equipment                                     | (394,418)                         |    | (74,699)         |    | 172,503            |    | (296,614)                         |
| Computer Software                             | (730)                             |    | (1,460)          |    | —                  |    | (2,190)                           |
|   |                                   |    |                  |    |                    |    |                                   |
| Total accumulated depreciation                | <u>(875,756)</u>                  |    | <u>(104,135)</u> |    | <u>388,486</u>     |    | <u>(591,405)</u>                  |
|   |                                   |    |                  |    |                    |    |                                   |
| Net capital assets                            | <u>\$ 2,113,878</u>               | \$ | <u>156,202</u>   | \$ | <u>(1,708,392)</u> | \$ | <u>561,688</u>                    |

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

Capital assets activity for the year ended June 30, 2018, consisted of the following:

|   | <u>Balance,<br/>June 30, 2017</u> | <u>Additions</u>  | <u>Retirements</u>  | <u>Balance,<br/>June 30, 2018</u> |
|---|-----------------------------------|-------------------|---------------------|-----------------------------------|
| Nondepreciable/nonamortizable capital assets: |                                   |                   |                     |                                   |
| Land and land improvements                    | \$ 724,756                        | \$ —              | \$ —                | \$ 724,756                        |
| Works of art and historical treasures         | 25,000                            | —                 | —                   | 25,000                            |
| Construction work in progress                 | <u>162,547</u>                    | <u>198,298</u>    | <u>(360,845)</u>    | <u>—</u>                          |
| Total nondepreciable capital assets           | <u>912,303</u>                    | <u>198,298</u>    | <u>(360,845)</u>    | <u>749,756</u>                    |
| Depreciable/amortizable capital assets:       |                                   |                   |                     |                                   |
| Buildings                                     | 909,450                           | 360,845           | —                   | 1,270,295                         |
| Personal property:                            |                                   |                   |                     |                                   |
| Equipment                                     | 965,885                           | 194,544           | (198,146)           | 962,283                           |
| Computer Software                             | <u>—</u>                          | <u>7,300</u>      | <u>—</u>            | <u>7,300</u>                      |
| Total depreciable capital assets              | <u>1,875,335</u>                  | <u>562,689</u>    | <u>(198,146)</u>    | <u>2,239,878</u>                  |
| Total cost                                    | <u>2,787,638</u>                  | <u>760,987</u>    | <u>(558,991)</u>    | <u>2,989,634</u>                  |
| Less accumulated depreciation/amortization:   |                                   |                   |                     |                                   |
| Buildings                                     | (444,279)                         | (36,329)          | —                   | (480,608)                         |
| Personal property:                            |                                   |                   |                     |                                   |
| Equipment                                     | (347,208)                         | (94,232)          | 47,022              | (394,418)                         |
| Computer Software                             | <u>—</u>                          | <u>(730)</u>      | <u>—</u>            | <u>(730)</u>                      |
| Total accumulated depreciation                | <u>(791,487)</u>                  | <u>(131,291)</u>  | <u>47,022</u>       | <u>(875,756)</u>                  |
| Net capital assets                            | \$ <u>1,996,151</u>               | \$ <u>629,696</u> | \$ <u>(511,969)</u> | \$ <u>2,113,878</u>               |

Equipment purchased with grant and contract monies are held in trust by the Foundation. Title is held by the Foundation and, upon completion of the grant or contract, the equipment is transferred to the University or the funding agency, depending on the individual terms of the agreement.

For the years ended June 30, 2019 and 2018, capital assets with a net book value of \$676,981 and \$151,124 were transferred from the Foundation to the University, respectively. For the year ended June 30, 2019 and 2018, capital assets with a net book value of \$1,021,971 and \$0 were transferred from the Foundation to Humboldt State University Real Estate Holdings (HSUREH), respectively. For the years ended June 30, 2018 and 2017, capital assets with a net book value of \$0 and \$0 were returned to the funder, respectively.

Total depreciation expense for the Foundation for the years ended June 30, 2019 and 2018 was \$104,135 and \$131,291, respectively.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

**(5) Long-term liabilities**

Long-term liabilities activities for the years ended June 30, 2019 and 2018 is summarized as follows:

|                              | <u>Balance at June<br/>30, 2018</u> | <u>Additions</u>    | <u>Reductions</u>       | <u>Balance at June<br/>30, 2019</u> | <u>Current<br/>Portion</u> | <u>Long-Term<br/>Portion</u> |
|------------------------------|-------------------------------------|---------------------|-------------------------|-------------------------------------|----------------------------|------------------------------|
| Accrued compensated absences | \$ 243,663                          | \$ 249,491          | \$ (\$243,125)          | \$ 250,029                          | \$ 160,782                 | \$ 89,247                    |
| Unearned revenue             | <u>2,169,087</u>                    | <u>4,607,461</u>    | <u>(\$4,543,373)</u>    | <u>2,233,175</u>                    | <u>2,146,894</u>           | <u>86,281</u>                |
| Total                        | \$ <u>2,412,750</u>                 | \$ <u>4,856,952</u> | \$ <u>(\$4,786,498)</u> | \$ <u>2,483,204</u>                 | \$ <u>2,307,676</u>        | \$ <u>175,528</u>            |
|                              |                                     |                     |                         |                                     |                            |                              |
|                              | <u>Balance at June<br/>30, 2017</u> | <u>Additions</u>    | <u>Reductions</u>       | <u>Balance at June<br/>30, 2018</u> | <u>Current<br/>Portion</u> | <u>Long-Term<br/>Portion</u> |
| Accrued compensated absences | \$ 213,458                          | \$ 292,636          | \$ (\$262,431)          | \$ 243,663                          | \$ 166,926                 | \$ 76,737                    |
| Unearned revenue             | <u>2,045,071</u>                    | <u>5,817,850</u>    | <u>(\$5,693,834)</u>    | <u>2,169,087</u>                    | <u>1,966,946</u>           | <u>202,141</u>               |
| Total                        | \$ <u>2,258,529</u>                 | \$ <u>6,110,486</u> | \$ <u>(\$5,956,265)</u> | \$ <u>2,412,750</u>                 | \$ <u>2,133,872</u>        | \$ <u>278,878</u>            |

The Foundation entered into a line of credit with a bank on October 13, 2016. The loan is secured by all accounts receivable. The loan agreement is available for short-term cash needs, with a maximum amount available of \$2.0 million. The agreement requires monthly interest-only payments at a variable interest rate of 0.75% above the bank's reference rate. The loan agreement expires on October 15, 2019. There were no amounts outstanding on the loan as of June 30, 2019 and 2018, respectively.

Total interest incurred on all borrowings was approximately \$0 and \$0 for the years ended June 30, 2019 and 2018, respectively.

**(6) Net Position**

**(a) Unrestricted net position**

As of June 30, 2019 and 2018, the unrestricted portion of the Foundation's net position was designated for the following purposes:

|  | <u>2019</u>         | <u>2018</u>         |
|--|---------------------|---------------------|
| Funds held in trust:                   |                     |                     |
| Sponsored programs related trusts      | \$ 3,025,716        | \$ 2,524,997        |
| Campus program trusts                  | <u>12,637</u>       | <u>16,992</u>       |
| Total funds held in trust              | 3,038,353           | 2,541,989           |
| Current operations and working capital | <u>4,794,125</u>    | <u>5,064,217</u>    |
| Total                                  | \$ <u>7,832,478</u> | \$ <u>7,606,206</u> |

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

### Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

The Board of Directors passed a resolution to establish a \$4,000,000 reserve for current operations and working capital, capital replacements, contingent liabilities, and planned future operations. The reserve was accumulated over a 36 month period beginning July 1, 2011. As of June 30, 2015, the Foundation achieved its reserve target and continues to maintain this reserve target as of June 30, 2019.

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, restricted resources are applied first. In the event that restricted resources are fully expended, unrestricted resources are expended to support the activities of restricted, expendable resources. As of June 30, 2019 and 2018, \$147,340 and \$152,260 in unrestricted resources were expended to support these activities.

#### (7) Operating Leases

The Foundation rents office space located in Eureka, California under an operating lease with an unrelated third party. The total rent expense paid on this lease for the years ended June 30, 2019 and 2018 was \$16,534 and \$8,034, respectively. Rental terms are for twelve months and can be extended for additional one year periods on July 1<sup>st</sup>. The rent is subject to annual adjustments based on the CPI indices of up to 4%.

The Foundation rents storage space located in Trinidad, California from the University. The total rent expense paid on this lease for the years ended June 30, 2019 and 2018 was \$2,000 and \$2,000, respectively. Rental payments are due through December 31, 2023.

The Foundation rents office space located in Sacramento, California under an operating lease with an unrelated third party. The total rent expense paid on this lease for the years ended June 30, 2019 and 2018 was \$2,400 and \$0, respectively. Rental payments are due through May 31, 2020.

The Foundation is renting various office spaces in month to month operating leases for a total of \$3,550 per month. The total rent expense paid on these leases for the years ended June 30, 2019 and 2018 was \$72,618 and \$46,676, respectively.

At June 30, 2019, future minimum rental payments for these leases were as follows:

#### For the Year Ending June 30,

|       |    |               |
|-------|----|---------------|
| 2020  | \$ | 15,200        |
| 2021  |    | 2,000         |
| 2022  |    | 2,000         |
| 2023  |    | 2,000         |
| Total | \$ | <u>21,200</u> |

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

**(8) Commitments and Contingencies**

Revenue for the Foundation is derived primarily from governmental and private agencies for performance on grants and contracts. Expenditures under these programs are subject to final audits that could result in disallowances under the terms of the grant. Management believes that disallowances, if any, resulting from such audits will not have a material effect on the financial statements.

**(9) Classification of Operating Expenses**

The Foundation has elected to report operating expenses by functional classification in the statements of revenues, expenses, and changes in net position, and to provide the natural classification of those expenses as an additional disclosure. For the years ended June 30, 2019 and 2018, operating expenses by natural classification consisted of the following:

|                              |           | 2019              |           |                                    |                                   |                |           |                   |           |                |           |                   |
|------------------------------|-----------|-------------------|-----------|------------------------------------|-----------------------------------|----------------|-----------|-------------------|-----------|----------------|-----------|-------------------|
|                              |           | Salaries          | Benefits  | Scholarships<br>and<br>fellowships | Supplies<br>and<br>other services | Depreciation   | Total     |                   |           |                |           |                   |
| Functional classification:   |           |                   |           |                                    |                                   |                |           |                   |           |                |           |                   |
| Instruction                  | \$        | 818               | \$        | 77                                 | \$                                | -              | \$        | -                 | \$        | 895            |           |                   |
| Research                     |           | 5,924,206         |           | 1,448,789                          |                                   | 226,921        |           | 6,807,315         |           | 14,407,231     |           |                   |
| Public service               |           | 4,044,253         |           | 1,345,713                          |                                   | 21,932         |           | 7,102,205         |           | 12,514,103     |           |                   |
| Academic support             |           | 159,991           |           | 27,808                             |                                   | -              |           | 268,657           |           | 456,456        |           |                   |
| Student services             |           | 394,974           |           | 94,972                             |                                   | -              |           | 166,074           |           | 656,020        |           |                   |
| Institutional support        |           | -                 |           | -                                  |                                   | -              |           | 1,159             |           | 1,159          |           |                   |
| Scholarships and Fellowships |           | 31,675            |           | 3,006                              |                                   | -              |           | 364,631           |           | 399,312        |           |                   |
| Auxiliary enterprise         |           | 407,478           |           | 223,052                            |                                   | -              |           | 987,135           |           | 1,617,665      |           |                   |
| Depreciation                 |           | -                 |           | -                                  |                                   | -              |           | 104,135           |           | 104,135        |           |                   |
| <b>Total</b>                 | <b>\$</b> | <b>10,963,395</b> | <b>\$</b> | <b>3,143,417</b>                   | <b>\$</b>                         | <b>248,853</b> | <b>\$</b> | <b>15,697,176</b> | <b>\$</b> | <b>104,135</b> | <b>\$</b> | <b>30,156,976</b> |
|                              |           | 2018              |           |                                    |                                   |                |           |                   |           |                |           |                   |
|                              |           | Salaries          | Benefits  | Scholarships<br>and<br>fellowships | Supplies<br>and<br>other services | Depreciation   | Total     |                   |           |                |           |                   |
| Functional classification:   |           |                   |           |                                    |                                   |                |           |                   |           |                |           |                   |
| Research                     | \$        | 4,759,233         | \$        | 1,114,596                          | \$                                | 65,640         | \$        | 6,023,004         | \$        | -              | \$        | 11,962,473        |
| Public service               |           | 3,542,518         |           | 1,310,958                          |                                   | 402,671        |           | 5,285,947         |           | -              |           | 10,542,094        |
| Academic support             |           | 610,982           |           | 141,256                            |                                   | -              |           | 683,608           |           | -              |           | 1,435,846         |
| Student services             |           | 409,561           |           | 112,741                            |                                   | 750            |           | 278,013           |           | -              |           | 801,065           |
| Institutional support        |           | -                 |           | -                                  |                                   | -              |           | 18,959            |           | -              |           | 18,959            |
| Scholarships and Fellowships |           | 38,656            |           | 4,850                              |                                   | -              |           | 246,364           |           | -              |           | 289,870           |
| Auxiliary enterprise         |           | 315,068           |           | 205,929                            |                                   | -              |           | 939,203           |           | -              |           | 1,460,200         |
| Depreciation                 |           | -                 |           | -                                  |                                   | -              |           | -                 |           | 131,291        |           | 131,291           |
| <b>Total</b>                 | <b>\$</b> | <b>9,676,018</b>  | <b>\$</b> | <b>2,890,330</b>                   | <b>\$</b>                         | <b>469,061</b> | <b>\$</b> | <b>13,475,098</b> | <b>\$</b> | <b>131,291</b> | <b>\$</b> | <b>26,641,798</b> |

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

### **(10) Defined Contribution Plan**

The Foundation maintains the Humboldt State University Foundation 403(b) DC plan (the Plan). The plan is qualified under IRS Section 403(b) and covers eligible employees, as defined by the plan.

#### **(a) Plan Description**

The Foundation is the Plan's sponsor and serves as plan administrator. The plan was amended, effective October 1, 2018 to allow for employee deferral contributions, at which time the Plan opened a new account with Principal Trust Company (Principal) to accept the employee deferral contributions. The Plan was also amended effective October 1, 2018 to merge in the Humboldt State University Foundation Foundation 403 (b) TDA Plan (TDA Plan), another plan sponsored by the Foundation. The TDA Plan's custodians are Teachers Insurance and Annuity Association (TIAA) and College Retirement Equities Fund (CREF). TIAA and CREF hold the assets and execute investment transactions for the TDA Plan. TIAA and CREF are agents which provide variable individual and group annuities for retirement and tax-deferred savings plans at nonprofit or publicly supported colleges, universities, and other educational and research organizations. The TDA Plan is a defined contribution plan. The contributions are invested and then disbursed at the time of the employees' retirement in the form of lifetime income or other payment options.

#### **(b) Funding Policy**

Participant contributions – Prior to October 1, 2018, the Plan did not allow for employee contributions. Effective October 1, 2018, the Plan was amended to allow participants to contribute between 1% and 100% of pretax annual compensation. Participants may also elect to make Roth contributions utilizing after-tax contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

Employer non-elective contributions – The Foundation makes non-elective contributions equal to 10% of the participant's eligible compensation.

#### **(c) Annual Contribution Costs and Pension Expense**

The Foundation contributed \$494,116 and \$390,134 on behalf of covered employees for the years ended June 30, 2019 and 2018, respectively. These amounts are also the pension expense for these periods.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

**(11) Transfers to Other Campus Entities**

Occasionally, the Foundation finds it appropriate to transfer certain fiscal responsibilities to the University or to other campus entities. During the years ended June 30, 2019 and 2018, the Foundation transferred the following to the University and HSUREH:

|  |    | <b>2019</b> |    | <b>2018</b> |
|--|----|-------------|----|-------------|
| Transfer of fixed assets to the University | \$ | 676,981     | \$ | 151,124     |
| Transfer of fixed assets to the HSUREH     |    | 1,021,971   |    | —           |
| Total                                      | \$ | 1,698,952   | \$ | 151,124     |

**(12) Transactions with Related Entities**

**(a) Business Services Agreement**

The Foundation receives accounting and business services and human resource services from the University through a Business Services Agreement. For the fiscal years ended June 30, 2019 and 2018, the Foundation paid to the University \$700,000 and \$654,000, respectively, of which \$0 and \$0 was owed at June 30, 2019 and 2018, respectively. (Included in Payments to University for other than salaries of University personnel below.)

**(b) General Operations Payroll**

The Foundation reimburses the University for salaries and benefits paid by the University of certain post-award employees and beginning July 1, 2018 one-half of the research administration of the Foundation's general operations. The amount reimbursed to the University for the years ended June 30, 2019 and 2018 were \$358,131 and \$363,418, respectively, of which \$0 and \$29,844 was owed at June 30, 2019 and June 30, 2018, respectively. (Included in Payments to University for salaries of University personnel working on contracts, grants, and other programs and Accounts (payable to) University below.)

The University also supports the pre-award and compliance functionality, and beginning July 1, 2018 one-half of the research administration functionality of the Foundation as a state function. The University provided support for the pre-award and compliance functionality and the research administration functionality at an unreimbursed value of \$262,158 and \$182,771, respectively, for the year ended June 30, 2019 and \$254,338 and \$295,998, respectively, for the year ended June 30, 2018.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Notes to the Financial Statements

Years Ended June 30, 2019 and 2018

**(c) Summary of Transactions with related entities**

The accompanying financial statements also include the following transactions with the University and related auxiliary organizations for the years ended June 30, 2019 and 2018:

|   | <b>2019</b>  |    | <b>2018</b> |
|---|--------------|----|-------------|
| Payments to University for salaries of University personnel<br>working on contracts, grants, and other programs | \$ 1,856,199 | \$ | 1,588,383   |
| Payments to University for other than salaries of University personnel  | 3,186,172    |    | 3,317,704   |
| Payments received from University for services, space, and programs   | 378,144      |    | 313,564     |
| Gifts (cash or assets) to the University from discretely presented<br>component units                           | 676,982      |    | 151,124     |
| Gifts (cash or assets) to the HSUREH from discretely presented<br>component units                               | 1,021,971    |    | —           |
| Accounts (payable to) University  | (48,250)     |    | (79,425)    |
| Accounts receivable from University   | —            |    | 5,530       |
| Payments to HSUREH  | 95           |    | —           |
| Payments to University Center   | 72,711       |    | 119,271     |
| Accounts (payable to) University Center   | (22,710)     |    | (26,657)    |
| Payments to HSU Advancement Foundation  | 15,338       |    | —           |
| Payments received from HSU Advancement Foundation   | 1,097,118    |    | 1,082,700   |
| Accounts (payable to) HSU Advancement Foundation  | —            |    | (6,013)     |
| Accounts receivable from HSU Advancement Foundation   | —            |    | 37,559      |

## **SUPPLEMENTARY INFORMATION**

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Schedule of Net Position

June 30, 2019

(for inclusion in the California State University)

Assets:

Current assets:

|   |    |                   |
|---|----|-------------------|
| Cash and cash equivalents                 | \$ | 1,386,405         |
| Short-term investments                    |    | 322,779           |
| Accounts receivable, net                  |    | 11,604,718        |
| Capital lease receivable, current portion |    | —                 |
| Notes receivable, current portion         |    | —                 |
| Pledges receivable, net                   |    | —                 |
| Prepaid expenses and other current assets |    | 109,018           |
|   |    | <u>13,422,920</u> |
| Total current assets                      |    | <u>13,422,920</u> |

Noncurrent assets:

|  |  |                   |
|--|--|-------------------|
| Restricted cash and cash equivalents             |  | —                 |
| Accounts receivable, net                         |  | —                 |
| Capital lease receivable, net of current portion |  | —                 |
| Notes receivable, net of current portion         |  | —                 |
| Student loans receivable, net                    |  | —                 |
| Pledges receivable, net                          |  | —                 |
| Endowment investments                            |  | —                 |
| Other long-term investments                      |  | 300               |
| Capital assets, net                              |  | 561,688           |
| Other assets                                     |  | —                 |
|  |  | <u>561,988</u>    |
| Total noncurrent assets                          |  | <u>561,988</u>    |
| Total assets                                     |  | <u>13,984,908</u> |

Deferred outflows of resources:

|                                      |  |          |
|--------------------------------------|--|----------|
| Unamortized loss on debt refunding   |  | —        |
| Net pension liability                |  | —        |
| Net OPEB liability                   |  | —        |
| Others                               |  | —        |
|                                      |  | <u>—</u> |
| Total deferred outflows of resources |  | <u>—</u> |

Liabilities:

Current liabilities:

|   |  |                  |
|---|--|------------------|
| Accounts payable  |  | 2,480,197        |
| Accrued salaries and benefits   |  | 615,947          |
| Accrued compensated absences, current portion                             |  | 160,782          |
| Unearned revenues   |  | 2,146,894        |
| Capital lease obligations, current portion                                |  | —                |
| Long-term debt obligations, current portion                               |  | —                |
| Claims liability for losses and loss adjustment expenses, current portion |  | —                |
| Depository accounts   |  | —                |
| Other liabilities   |  | 11,394           |
|   |  | <u>11,394</u>    |
| Total current liabilities   |  | <u>5,415,214</u> |

Noncurrent liabilities:

|  |  |                  |
|--|--|------------------|
| Accrued compensated absences, net of current portion                             |  | 89,247           |
| Unearned revenues  |  | 86,281           |
| Grants refundable  |  | —                |
| Capital lease obligations, net of current portion                                |  | —                |
| Long-term debt obligations, net of current portion                               |  | —                |
| Claims liability for losses and loss adjustment expenses, net of current portion |  | —                |
| Depository accounts  |  | —                |
| Net other postemployment benefits liability                                      |  | —                |
| Net pension liability  |  | —                |
| Other liabilities  |  | —                |
|  |  | <u>—</u>         |
| Total noncurrent liabilities   |  | <u>175,528</u>   |
| Total liabilities  |  | <u>5,590,742</u> |

Deferred inflows of resources:

|                                     |  |          |
|-------------------------------------|--|----------|
| Service concession arrangements     |  | —        |
| Net pension liability               |  | —        |
| Net OPEB liability                  |  | —        |
| Unamortized gain on debt refunding  |  | —        |
| Nonexchange transactions            |  | —        |
| Others                              |  | —        |
|                                     |  | <u>—</u> |
| Total deferred inflows of resources |  | <u>—</u> |

Net Position:

|                                  |    |                  |
|----------------------------------|----|------------------|
| Net investment in capital assets |    | 561,688          |
| Restricted for:                  |    | —                |
| Nonexpendable – endowments       |    | —                |
| Expendable:                      |    | —                |
| Scholarships and fellowships     |    | —                |
| Research                         |    | —                |
| Loans                            |    | —                |
| Capital projects                 |    | —                |
| Debt service                     |    | —                |
| Others                           |    | —                |
| Unrestricted                     |    | <u>7,832,478</u> |
| Total net position               | \$ | <u>8,394,166</u> |

See the accompanying auditors' report and note to supplementary information

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

**Schedule of Revenues, Expenses, and Changes in Net Position**

**June 30, 2019**

**(for inclusion in the California State University)**

Revenues:

Operating revenues:

|  |    |            |
|--|----|------------|
| Student tuition and fees, gross                    | \$ | —          |
| Scholarship allowances (enter as negative)         |    | —          |
| Grants and contracts, noncapital:                  |    |            |
| Federal  |    | 10,491,785 |
| State  |    | 11,589,130 |
| Local  |    | 1,063,753  |
| Nongovernmental                                    |    | 4,526,789  |
| Sales and services of educational activities       |    | —          |
| Sales and services of auxiliary enterprises, gross |    | —          |
| Scholarship allowances (enter as negative)         |    | —          |
| Other operating revenues                           |    | 2,821,043  |
|  |    | <hr/>      |
| Total operating revenues                           |    | 30,492,500 |
|  |    | <hr/>      |

Expenses:

Operating expenses:

|                                    |  |            |
|------------------------------------|--|------------|
| Instruction                        |  | 895        |
| Research                           |  | 14,407,231 |
| Public service                     |  | 12,514,103 |
| Academic support                   |  | 456,456    |
| Student services                   |  | 656,020    |
| Institutional support              |  | 1,159      |
| Operation and maintenance of plant |  | —          |
| Student grants and scholarships    |  | 399,312    |
| Auxiliary enterprise expenses      |  | 1,617,665  |
| Depreciation and amortization      |  | 104,135    |
|                                    |  | <hr/>      |
| Total operating expenses           |  | 30,156,976 |
|                                    |  | <hr/>      |
| Operating income (loss)            |  | 335,524    |
|                                    |  | <hr/>      |

Nonoperating revenues (expenses):

|  |  |             |
|--|--|-------------|
| State appropriations, noncapital                                     |  | —           |
| Federal financial aid grants, noncapital                             |  | —           |
| State financial aid grants, noncapital                               |  | —           |
| Local financial aid grants, noncapital                               |  | —           |
| Nongovernmental and other financial aid grants, noncapital           |  | —           |
| Other federal nonoperating grants, noncapital                        |  | —           |
| Gifts, noncapital  |  | —           |
| Investment income (loss), net  |  | 46,950      |
| Endowment income (loss), net   |  | —           |
| Interest expense   |  | —           |
| Other nonoperating revenues (expenses) - excl. interagency transfers |  | (9,440)     |
| Other nonoperating revenues (expenses) - interagency transfers       |  | (1,698,952) |
|  |  | <hr/>       |
| Net nonoperating revenues (expenses)                                 |  | (1,661,442) |
|  |  | <hr/>       |
| Income (loss) before other revenues (expenses)                       |  | (1,325,918) |

State appropriations, capital

Grants and gifts, capital

Additions (reductions) to permanent endowments

|                                     |  |             |
|-------------------------------------|--|-------------|
|                                     |  | —           |
|                                     |  | —           |
|                                     |  | —           |
| Increase (decrease) in net position |  | (1,325,918) |

Net position:

|   |    |             |
|---|----|-------------|
| Net position at beginning of year, as previously reported |    | 9,720,084   |
| Restatements  |    | —           |
|   |    | <hr/>       |
| Net position at beginning of year, as restated            |    | 9,720,084   |
|   |    | <hr/>       |
| Net position at end of year                               | \$ | 8,394,166   |
|   |    | <hr/> <hr/> |

See the accompanying auditors' report and note to supplementary information





**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**  
**Other Information**  
**June 30, 2019**  
(for inclusion in the California State University)

**8 Restatements/Prior period adjustments:**

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement/PPA:

| Transaction #1 | Enter transaction description | Debit/(Credit) |
|----------------|-------------------------------|----------------|
|                |                               |                |
| Transaction #2 | Enter transaction description |                |

**9 Natural classifications of operating expenses:**

|                                    | Salaries             | Benefits - Other | Benefits - Pension | Benefits - OPEB | Scholarships and fellowships | Supplies and other services | Depreciation and amortization | Total operating expenses |
|------------------------------------|----------------------|------------------|--------------------|-----------------|------------------------------|-----------------------------|-------------------------------|--------------------------|
| Instruction                        | 818                  | 77               |                    |                 |                              | 0                           | -                             | 895                      |
| Research                           | 5924206              | 1199188          | 249601             |                 |                              | 7034236                     | -                             | 14,407,231               |
| Public service                     | 4044253              | 1128826          | 216887             |                 |                              | 7124137                     | -                             | 12,514,103               |
| Academic support                   | 159991               | 23792            | 4016               |                 |                              | 268657                      | -                             | 456,456                  |
| Student services                   | 394974               | 79112            | 15860              |                 |                              | 166074                      | -                             | 656,020                  |
| Institutional support              | 0                    |                  | 0                  |                 |                              | 1159                        | -                             | 1,159                    |
| Operation and maintenance of plant |                      |                  |                    |                 |                              | 0                           | -                             | -                        |
| Student grants and scholarships    |                      |                  |                    |                 | 399312                       |                             | -                             | 399,312                  |
| Auxiliary enterprise expenses      | 407478               | 215891           | 7161               |                 |                              | 987135                      | -                             | 1,617,665                |
| Depreciation and amortization      |                      |                  |                    |                 |                              |                             | 104135                        | 104,135                  |
| <b>Total operating expenses</b>    | <b>\$ 10,931,720</b> | <b>2,646,886</b> | <b>493,525</b>     | <b>-</b>        | <b>399,312</b>               | <b>15,581,398</b>           | <b>104,135</b>                | <b>30,156,976</b>        |

**10 Deferred outflows/inflows of resources:**

**1. Deferred Outflows of Resources**

- Deferred outflows - unamortized loss on refunding(s)
- Deferred outflows - net pension liability
- Deferred outflows - net OPEB liability
- Deferred outflows - others:

|   |             |
|---|-------------|
| Total deferred outflows - others            | -           |
| <b>Total deferred outflows of resources</b> | <b>\$ -</b> |

**2. Deferred Inflows of Resources**

- Deferred inflows - service concession arrangements
- Deferred inflows - net pension liability
- Deferred inflows - net OPEB liability
- Deferred inflows - unamortized gain on debt refunding(s)
- Deferred inflows - nonexchange transactions
- Deferred inflows - others:

|  |             |
|--|-------------|
| Total deferred inflows - others            | -           |
| <b>Total deferred inflows of resources</b> | <b>\$ -</b> |

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION**

Note to Supplementary Information

Year Ended June 30, 2019

**(1) Organization**

As an auxiliary organization of the California State University (CSU), Humboldt State University Sponsored Programs Foundation (the Foundation) is required to include audited supplementary information in its financial statements in the form and content specified by the CSU. As a result, there are differences in the presentation of certain financial statement line items between the Foundation's financial statements and the supplementary schedules for the CSU.

**(a) Statement of Revenues, Expenses, and Changes in Net Position**

For purposes of the supplementary schedule, certain revenues are consolidated into a single financial statement line.

A reconciliation of other operating revenue as of June 30, 2019, is as follows:

|  |                     |
|--|---------------------|
| Statement of Revenues, Expenses, and Changes in Net Position | 2019                |
| Indirect cost revenue  | \$ 2,594,610        |
| Other operating revenues                                     | 226,433             |
| Total other operating revenues                               | \$ <u>2,821,043</u> |
| Supplementary Schedule                                       |                     |
| Statement of Revenues, Expenses, and Changes in Net Position |                     |
| Other operating revenues                                     | \$ <u>2,821,043</u> |

# **SINGLE AUDIT REPORTS**

## **Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Directors  
Humboldt State University Sponsored Programs Foundation  
Arcata, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Humboldt State University Sponsored Programs Foundation (the Foundation), a component unit of Humboldt State University as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon September 10, 2019.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss Adams LLP*

Medford, Oregon  
September 10, 2019

## **Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance**

Board of Directors  
Humboldt State University Sponsored Programs Foundation  
Arcata, California

### **Report on Compliance for the Major Federal Program**

We have audited the Humboldt State University Sponsored Programs Foundation's (the Foundation) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Foundation's major federal program for the year ended June 30, 2019. The Foundation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Foundation's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Foundation's compliance.

#### ***Opinion on the Major Federal Program***

In our opinion, the Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

## **Report on Internal Control Over Compliance**

Management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Foundation's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Moss Adams LLP*

Medford, Oregon  
September 10, 2019

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title                                 | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| <b>RESEARCH AND DEVELOPMENT CLUSTER:</b>  |                           |  |                                       |                         |
| <b>Bureau of Ocean Energy Management (BOEM) Environmental Studies (ES)</b>                        |                           |  |                                       |                         |
| Minerals Management Service (MMS) Environmental Studies Program (ESP)                             | 15.423                    |  |                                       | \$ 2,285                |
| <b>Total Bureau of Ocean Energy Management (BOEM) Environmental Studies (ES)</b>                  |                           |  |                                       | <u>2,285</u>            |
| <b>Center for Disease Control and Prevention</b>  |                           |  |                                       |                         |
| Pass-Through From United Indian Health Service  |                           |  |                                       |                         |
| Tribal Self-Governance Program: IHS Compacts/Funding Agreements                                   | 93.210                    | 201809058HSU                                 |                                       | 14,132                  |
| <b>Total Center for Disease Control and Prevention</b>  |                           |  |                                       | <u>14,132</u>           |
| <b>Department of Agriculture - Forest Service</b>   |                           |  |                                       |                         |
| Forest Health Protection  | 10.680                    |  |                                       | 17,018                  |
| Partnership Agreements Department of Agriculture Forest Service                                   | 10.699                    |  |                                       | 21,318                  |
| Partnership Agreements Department of Agriculture Forest Service                                   | 10.699                    |  |                                       | 29,055                  |
| Partnership Agreements Department of Agriculture Forest Service                                   | 10.699                    |  |                                       | 9,491                   |
| Fire Restoration at the Landscape Scale   | 10.RD1                    |  |                                       | 11,453                  |
| Oak Sprout and Seedling Response Under Current Wildfire Reburn Conditions                         | 10.RD2                    |  |                                       | 27,697                  |
| Collaborative Ecological Support  | 10.RD3                    |  |                                       | 112,743                 |
| Real-time Streamflow Website Server   | 10.RD4                    |  |                                       | 186                     |
| Power Fire Oak Restoration  | 10.RD5                    |  |                                       | 556                     |
| Forest-wide Aquatics Restoration Surveys  | 10.RD6                    |  |                                       | 115,472                 |
| Akerwoods Trinity County Collaborative Roadside Fuels Treatments Archeological Surveys            | 10.RD7                    |  |                                       | 40,604                  |
| Challenge Cost Share Agreement, USDA Forest Service, International Institute of Tropical Forestry | 10.RD8                    |  |                                       | 3,103                   |
| <b>Total Department of Agriculture - Forest Service</b>   |                           |  |                                       | <u>388,696</u>          |
| <b>Department of Agriculture - National Institute of Food &amp; Agriculture</b>                   |                           |  |                                       |                         |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 4,732                   |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 5,493                   |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 3,055                   |
| Cooperative Forestry Research   | 10.202                    |  |                                       | (1,198)                 |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 7,157                   |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 8,878                   |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 60,859                  |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 16,245                  |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 17,203                  |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 3,209                   |
| Cooperative Forestry Research   | 10.202                    |  |                                       | 3,408                   |
| <b>Total Department of Agriculture - National Institute of Food &amp; Agriculture</b>             |                           |  |                                       | <u>129,041</u>          |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title   | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| <b>Department of Agriculture - Natural Resources Conservation Services</b>  |                           |  |                                       |                         |
| Soil and Water Conservation   | 10.902                    |  |                                       | 2,593                   |
| Soil and Water Conservation   | 10.902                    |  |                                       | 80,282                  |
| <b>Total Department of Agriculture - Natural Resources Conservation Services</b>  |                           |  |                                       | <u>82,875</u>           |
| <b>Department of Commerce - National Oceanic Atmospheric Administration</b>   |                           |  |                                       |                         |
| Pass-Through From Monterey Bay Aquarium Research Institute<br>Integrated Ocean Observing System (IOOS)  | 11.012                    | 1611120                                      |                                       | 79,567                  |
| Pass-Through From Confluence Environmental Company<br>Fisheries Development and Utilization Research and Development Grants and Cooperative<br>Agreements Program | 11.427                    | NA16NMF4270254                               |                                       | 19,852                  |
| Fisheries Development and Utilization Research and Development Grants and Cooperative<br>Agreements Program   | 11.427                    |  | \$ 7,235                              | 54,894                  |
| Pass-Through From University of California, San Diego<br>National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes                            | 11.432                    | CIMDW14                                      |                                       | 63,836                  |
| National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes   | 11.432                    | INDEX: CIMODWT                               |                                       | (13,510)                |
| National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes   | 11.432                    | CIMBT03                                      |                                       | 143,155                 |
| National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes   | 11.432                    | CIMTM03                                      |                                       | 14,751                  |
| National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes   | 11.432                    | CIMEC1B                                      |                                       | 7,078                   |
| Pass-Through From Trout Unlimited<br>Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program  | 11.438                    | P1810521                                     |                                       | 3,084                   |
| Pass-Through From Fish and Wildlife, Department of (DFW)<br>Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program   | 11.438                    | P1796033                                     | 11,004                                | 470,663                 |
| Marine Mammal Data Program  | 11.439                    |  |                                       | 8,517                   |
| Marine Mammal Data Program  | 11.439                    |  |                                       | 29,459                  |
| Coral Reef Conservation Program   | 11.482                    |  |                                       | 10,975                  |
| <b>Total Department of Commerce - National Oceanic Atmospheric Administration</b>   |                           |  | <u>18,239</u>                         | <u>892,321</u>          |
| <b>Department Of Defense</b>  |                           |  |                                       |                         |
| Pass-Through From Michigan State University, Department of Kinesiology<br>Military Medical Research and Development   | 12.420                    | 3003787386                                   |                                       | 66,326                  |
| Pass-Through From University of Michigan<br>Military Medical Research and Development   | 12.420                    | SUBK00004120                                 |                                       | 8,224                   |
| Military Medical Research and Development   | 12.420                    | SUBK00004120                                 |                                       | 200                     |
| <b>Total Department Of Defense</b>  |                           |  |                                       | <u>74,750</u>           |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title                                     | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| <b>Department of Education</b>  |                           |  |                                       |                         |
| Higher Education_Institutional Aid  | 84.031                    |  |                                       | 180,154                 |
| Higher Education_Institutional Aid  | 84.031                    |  | 32,618                                | 850,562                 |
| <b>Total Department of Education</b>  |                           |  | 32,618                                | 1,030,716               |
| <b>Department of Energy</b>   |                           |  |                                       |                         |
| Pass-Through From Regents of the University of California   |                           |  |                                       |                         |
| Solar and LED Energy Access   | 81.RD1                    | 7014205                                      |                                       | 83,397                  |
| Synthetic Reserves from Aggregated Distributed Flexible Resources                                     | 81.RD2                    | 7326461                                      |                                       | 13,867                  |
| Analytical Support for Solar Energy Innovation Network (SEIN) Project Analysis of PEV Charging Demand | 81.RD3                    | 7421260                                      |                                       | 52,614                  |
| Pass-Through From Bear River Band of the Rohnerville Rancheria  |                           |  |                                       |                         |
| Bear River Band of Rohnerville Rancheria Energy Options Analysis Project                              | 81.RD4                    | DE-IE000063                                  |                                       | 67,476                  |
| <b>Total Department of Energy</b>   |                           |  |                                       | 217,354                 |
| <b>Department of Health and Human Services</b>  |                           |  |                                       |                         |
| Pass-Through From United Indian Health Service  |                           |  |                                       |                         |
| Tribal Self-Governance Program: IHS Compacts/Funding Agreements                                       | 93.210                    | 20180706HSU                                  |                                       | 24,013                  |
| <b>Total Department of Health and Human Services</b>  |                           |  |                                       | 24,013                  |
| <b>Department of the Interior - Bureau of Land Management</b>   |                           |  |                                       |                         |
| Cultural and Paleontological Resources Management   | 15.224                    |  |                                       | 323                     |
| Fish, Wildlife and Plant Conservation Resource Management   | 15.231                    |  |                                       | 10,285                  |
| Fish, Wildlife and Plant Conservation Resource Management   | 15.231                    |  |                                       | 12,318                  |
| Fish, Wildlife and Plant Conservation Resource Management   | 15.231                    |  |                                       | 36,013                  |
| Wildland Fire Research and Studies Program  | 15.232                    |  |                                       | 20,890                  |
| Pass-Through From Department of Agriculture - Forest Service  |                           |  |                                       |                         |
| Wildland Fire Research and Studies Program  | 15.232                    | 16-JV-11272139-066                           |                                       | 44,779                  |
| Forests and Woodlands Resource Management   | 15.233                    |  |                                       | 14,161                  |
| Forests and Woodlands Resource Management   | 15.233                    |  | 274                                   | 2,967                   |
| Forests and Woodlands Resource Management   | 15.233                    |  |                                       | (1,419)                 |
| Pass-Through From Oregon Institute of Technology  |                           |  |                                       |                         |
| Environmental Quality and Protection Resource Management  | 15.236                    | L16AC00292-S                                 | 5,457                                 | 8,809                   |
| Wildlife Resource Management  | 15.247                    |  |                                       | 21,427                  |
| Carrizo Plain Ecosystem Project, Surveys  | 15.RD1                    |  |                                       | 12,697                  |
| <b>Total Department of the Interior - Bureau of Land Management</b>                                   |                           |  | 5,731                                 | 183,250                 |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title                  | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|--|---------------------------|--|---------------------------------------|-------------------------|
| <b>Department of the Interior - Fish and Wildlife Services</b>                     |                           |  |                                       |                         |
| Fish and Wildlife Management Assistance  | 15.608                    |  |                                       | 305                     |
| Fish and Wildlife Management Assistance  | 15.608                    |  |                                       | 39,530                  |
| Pass-Through From National Fish and Wildlife Foundation                            |                           |  |                                       |                         |
| Fish and Wildlife Management Assistance  | 15.608                    | 0208.18.060096                               |                                       | 16,223                  |
| Endangered Species Conservation - Recovery Implementation Funds                    | 15.657                    |  |                                       | 34,044                  |
| Endangered Species Conservation - Recovery Implementation Funds                    | 15.657                    |  |                                       | 1,529                   |
| Endangered Species Conservation - Recovery Implementation Funds                    | 15.657                    |  |                                       | (830)                   |
| Endangered Species Conservation - Recovery Implementation Funds                    | 15.657                    |  |                                       | 9,775                   |
| Natural Resource Damage Assessment, Restoration and Implementation                 | 15.658                    |  |                                       | 313,675                 |
| Pass Through From National Fish and Wildlife Foundation                            |                           |  |                                       |                         |
| NFWF-USFWS Conservation Partnership  | 15.663                    | 0208.18.060469                               |                                       | 43,553                  |
| Cooperative Ecosystem Studies Units  | 15.678                    |  |                                       | 9,500                   |
| Cooperative Ecosystem Studies Units  | 15.678                    |  |                                       | (3,018)                 |
| Cooperative Ecosystem Studies Units  | 15.678                    |  |                                       | 7,015                   |
| Cooperative Research Units Program   | 15.812                    |  |                                       | 41,930                  |
| Pass-Through From Fish and Wildlife, Department of (DFW)                           |                           |  |                                       |                         |
| Range-Wide Giant Kangaroo Rat Surveys & Monitoring Optimization                    | 15.RD2                    | P1540034                                     |                                       | 17,595                  |
| <b>Total Department of the Interior - Fish and Wildlife Services</b>               |                           |  |                                       | <u>530,826</u>          |
| <b>Department of the Interior - National Park Service</b>                          |                           |  |                                       |                         |
| Cooperative Research and Training Programs ç Resources of the National Park System | 15.945                    |  |                                       | 9,411                   |
| Cooperative Research and Training Programs ç Resources of the National Park System | 15.945                    |  |                                       | 1,858                   |
| Cooperative Research and Training Programs ç Resources of the National Park System | 15.945                    |  |                                       | (523)                   |
| Cooperative Research and Training Programs ç Resources of the National Park System | 15.945                    |  |                                       | 39,713                  |
| Cooperative Research and Training Programs ç Resources of the National Park System | 15.945                    |  |                                       | 12,110                  |
| Pass-Through From California Cooperative Ecosystem Studies Unit                    |                           |  |                                       |                         |
| Cooperative Research and Training Programs ç Resources of the National Park System | 15.945                    | P16AC01849                                   |                                       | 3,267                   |
| National Park Service Conservation, Protection, Outreach. and Education            | 15.954                    |  |                                       | 266                     |
| National Park Service Conservation, Protection, Outreach. and Education            | 15.954                    |  |                                       | 41,367                  |
| National Park Service Conservation, Protection, Outreach. and Education            | 15.954                    |  |                                       | 22,310                  |
| <b>Total Department of the Interior - National Park Service</b>                    |                           |  |                                       | <u>129,779</u>          |
| <b>Department of the Interior - U.S. Geological Survey</b>                         |                           |  |                                       |                         |
| Cooperative Research Units Program   | 15.812                    |  |                                       | 25,788                  |
| U.S. Geological Survey_ Research and Data Collection                               | 15.808                    |  |                                       | 18,775                  |
| U.S. Geological Survey_ Research and Data Collection                               | 15.808                    |  |                                       | 130,650                 |
| <b>Total Department of the Interior - U.S. Geological Survey</b>                   |                           |  |                                       | <u>175,213</u>          |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title                  | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|--|---------------------------|--|---------------------------------------|-------------------------|
| <b>Department of Transportation</b>  |                           |  |                                       |                         |
| Pass-Through From Oregon Department of Agriculture<br>Department of Transportation | 20.RD1                    | ODA-4022-1G                                  |                                       | 11,163                  |
| <b>Total Department of Transportation</b>  |                           |  |                                       | <u>11,163</u>           |
| <b>National Aeronautics and Space Administration</b>                               |                           |  |                                       |                         |
| Pass-Through From Smithsonian Astrophysical Observatory<br>Science                 | 43.001                    | GO6-17103X                                   |                                       | 22,069                  |
| <b>Total National Aeronautics and Space Administration</b>                         |                           |  |                                       | <u>22,069</u>           |
| <b>National Science Foundation</b>   |                           |  |                                       |                         |
| Mathematical and Physical Sciences   | 47.049                    |  |                                       | 34,188                  |
| Mathematical and Physical Sciences   | 47.049                    |  |                                       | 13,851                  |
| Geosciences  | 47.050                    |  |                                       | 29,765                  |
| Geosciences  | 47.050                    |  |                                       | 51,888                  |
| Pass-Through From Regents of University of Minnesota<br>Geosciences                | 47.050                    | A005966903                                   |                                       | 5,273                   |
| Biological Sciences  | 47.074                    |  |                                       | 5,465                   |
| Biological Sciences  | 47.074                    |  |                                       | 85,891                  |
| Biological Sciences  | 47.074                    |  |                                       | 126,733                 |
| Biological Sciences  | 47.074                    |  |                                       | 14,027                  |
| Social, Behavioral, and Economic Sciences  | 47.075                    |  |                                       | 19,214                  |
| Education and Human Resources  | 47.076                    |  |                                       | 44                      |
| Education and Human Resources  | 47.076                    |  |                                       | 5,886                   |
| Education and Human Resources  | 47.076                    |  |                                       | 8,500                   |
| Pass-Through From University Enterprises, Inc.<br>Education and Human Resources    | 47.076                    | 533101                                       |                                       | 13,344                  |
| Office of International Science and Engineering                                    | 47.079                    |  |                                       | 58,720                  |
| Office of International Science and Engineering                                    | 47.079                    |  |                                       | 9,387                   |
| <b>Total National Science Foundation</b>   |                           |  |                                       | <u>482,176</u>          |
| <b>Total Research and Development Cluster</b>                                      |                           |  | <u>56,588</u>                         | <u>4,390,659</u>        |
| <b>SMALL BUSINESS DEVELOPMENT CENTERS:</b>   |                           |  |                                       |                         |
| <b>Small Business Administration</b>   |                           |  |                                       |                         |
| Small Business Development Centers   | 59.037                    |  | 19,032                                | 774,280                 |
| Small Business Development Centers   | 59.037                    |  | 73,449                                | 73,449                  |
| Small Business Development Centers   | 59.037                    |  | 158,149                               | 158,149                 |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| Small Business Development Centers                                | 59.037                    |  | 83,793                                | 83,793                  |
| Small Business Development Centers                                | 59.037                    |  | 37,734                                | 37,734                  |
| Small Business Development Centers                                | 59.037                    |  | 161,255                               | 161,255                 |
| Small Business Development Centers                                | 59.037                    |  | 99,168                                | 99,168                  |
| Small Business Development Centers                                | 59.037                    |  | 227,500                               | 227,500                 |
| Small Business Development Centers                                | 59.037                    |  | 65,909                                | 65,909                  |
| Small Business Development Centers                                | 59.037                    |  | 226,879                               | 226,879                 |
| Small Business Development Centers                                | 59.037                    |  | 114,640                               | 114,640                 |
| Small Business Development Centers                                | 59.037                    |  |                                       | 23,864                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 184,994                 |
| Small Business Development Centers                                | 59.037                    |  |                                       | 22,367                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 478,603                 |
| Small Business Development Centers                                | 59.037                    |  | 159,285                               | 159,285                 |
| Small Business Development Centers                                | 59.037                    |  | 132,193                               | 132,193                 |
| Small Business Development Centers                                | 59.037                    |  | 274,790                               | 274,790                 |
| Small Business Development Centers                                | 59.037                    |  | 142,720                               | 147,720                 |
| Small Business Development Centers                                | 59.037                    |  |                                       | 34,578                  |
| Small Business Development Centers                                | 59.037                    |  | 33,277                                | 36,593                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 99,584                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 43,631                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 67,491                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 70,356                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 91,844                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 153,868                 |
| Small Business Development Centers                                | 59.037                    |  | 12,402                                | 14,882                  |
| Small Business Development Centers                                | 59.037                    |  | 45,169                                | 45,169                  |
| Small Business Development Centers                                | 59.037                    |  | 65,567                                | 65,567                  |
| Small Business Development Centers                                | 59.037                    |  | 30,018                                | 30,018                  |
| Small Business Development Centers                                | 59.037                    |  | 28,556                                | 28,556                  |
| Small Business Development Centers                                | 59.037                    |  | 18,586                                | 18,586                  |
| Small Business Development Centers                                | 59.037                    |  | 12,193                                | 12,193                  |
| Small Business Development Centers                                | 59.037                    |  | 44,579                                | 44,579                  |
| Small Business Development Centers                                | 59.037                    |  |                                       | 12,859                  |
| Small Business Development Centers                                | 59.037                    |  | 39,348                                | 39,348                  |
| Small Business Development Centers                                | 59.037                    |  | 22,691                                | 22,691                  |
| <b>Total Small Business Administration</b>                        |                           |  | <u>2,229,714</u>                      | <u>4,378,965</u>        |
| <b>Total Small Business Development Centers</b>                   |                           |  | <u>2,229,714</u>                      | <u>4,378,965</u>        |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title  | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|--|---------------------------|--|---------------------------------------|-------------------------|
| <b>TRIO CLUSTER:</b>   |                           |  |                                       |                         |
| <b>Department of Education</b>   |                           |  |                                       |                         |
| TRIO - Student Support Services  | 84.042                    |  |                                       | 380,735                 |
| TRIO - Talent Search   | 84.044                    |  |                                       | 432,867                 |
| TRIO - Upward Bound  | 84.047                    |  |                                       | 267,166                 |
| <b>Total Department of Education</b>   |                           |  |                                       | <u>1,080,768</u>        |
| <b>Total Trio Cluster</b>  |                           |  |                                       | <u>1,080,768</u>        |
| <br><b>HIGHWAY PLANNING, RESEARCH AND CONSTRUCTION CLUSTER:</b>  |                           |  |                                       |                         |
| <b>Department of Transportation-Federal Highway Administration</b>   |                           |  |                                       |                         |
| Pass-Through From Transportation, Department of (DOT, CALTRANS)  |                           |  |                                       |                         |
| Highway Planning and Construction  | 20.205                    | 88a0125                                      | 12,207                                | 272,745                 |
| <b>Total Department of Transportation-Federal Highway Administration</b>   |                           |  | <u>12,207</u>                         | <u>272,745</u>          |
| <b>Total Highway Planning, Research and Construction Cluster</b>   |                           |  | 12,207                                | 272,745                 |
| <br><b>OTHER:</b>  |                           |  |                                       |                         |
| <b>Center for Disease Control and Prevention</b>   |                           |  |                                       |                         |
| Pass-Through From United Indian Health Service   |                           |  |                                       |                         |
| Building Capacity of the Public Health System to Improve Population Health through National,<br>Non-Profit Organizations - Financed in part by Prevention and Public Health Funds (PPHF) | 93.524                    | 07282015HSU-1                                |                                       | 19,441                  |
| <b>Total Center for Disease Control and Prevention</b>   |                           |  |                                       | <u>19,441</u>           |
| <br><b>Department of Agriculture</b>   |                           |  |                                       |                         |
| Pass-Through From Chico State Research Foundation  |                           |  |                                       |                         |
| State Administrative Matching Grants for Supplemental Nutrition Assistance Program   | 10.561                    | SUB16-045                                    |                                       | 7,299                   |
| <b>Total Department of Agriculture</b>   |                           |  |                                       | <u>7,299</u>            |
| <br><b>Department of Agriculture - Forest Service</b>  |                           |  |                                       |                         |
| Wintu Place Names and Digital Database Project   | 10.U09                    |  |                                       | 288                     |
| <b>Total Department of Agriculture - Forest Service</b>  |                           |  |                                       | <u>288</u>              |
| <br><b>Department of Agriculture - National Institute of Food &amp; Agriculture</b>  |                           |  |                                       |                         |
| Hispanic Serving Institutions Education Grants   | 10.223                    |  |                                       | 315,515                 |
| <b>Total Department of Agriculture - National Institute of Food &amp; Agriculture</b>  |                           |  |                                       | <u>315,515</u>          |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title   | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| <b>Department of Commerce - National Oceanic Atmospheric Administration</b>   |                           |  |                                       |                         |
| Pass-Through From Fish and Wildlife, Department of (DFW)  |                           |  |                                       |                         |
| Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program   | 11.438                    | P1696001 00                                  |                                       | (31)                    |
| <b>Total Department of Commerce - National Oceanic Atmospheric Administration</b>                                     |                           |  |                                       | <u>(31)</u>             |
| <b>Department Of Defense</b>  |                           |  |                                       |                         |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 42,355                  |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 8,807                   |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 12,875                  |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | (573)                   |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 195,919                 |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 29,998                  |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 68,750                  |
| Procurement Technical Assistance For Business Firms   | 12.002                    |  |                                       | 20,535                  |
| <b>Total Procurement Technical Assistance for Business Firms</b>  |                           |  |                                       | <u>378,666</u>          |
| Pass-Through From San Diego County Economic Development Council   |                           |  |                                       |                         |
| Economic Adjustment Assistance for State Governments  | 12.617                    | N4631-ECEDC                                  |                                       | 12,000                  |
| <b>Total Department Of Defense</b>  |                           |  |                                       | <u>390,666</u>          |
| <b>Department of Education</b>  |                           |  |                                       |                         |
| Special Education - Personnel Development to Improve Services and Results for Children with Disabilities              | 84.325                    |  |                                       | 170,956                 |
| Special Education - Personnel Development to Improve Services and Results for Children with Disabilities              | 84.325                    |  |                                       | 23,923                  |
| <b>Total Special Education - Personnel Development to Improve Services and Results for Children with Disabilities</b> |                           |  |                                       | <u>194,879</u>          |
| Gaining Early Awareness and Readiness for Undergraduate Programs  | 84.334                    |  | 10,100                                | 404,783                 |
| Child Care Access Means Parents in School   | 84.335                    |  |                                       | (4,651)                 |
| Child Care Access Means Parents in School   | 84.335                    |  |                                       | 180,656                 |
| <b>Total Child Care Access Means Parents in School</b>  |                           |  |                                       | <u>176,005</u>          |
| Pass-Through From City of Eureka  |                           |  |                                       |                         |
| Arts in Education   | 84.351                    | C2276  |                                       | 248,867                 |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title                           | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| Pass-Through From Education, Department of (CDE)  |                           |  |                                       |                         |
| Supporting Effective Instruction State Grants   | 84.367                    | 15-15196-3060-00                             |                                       | 404                     |
| Supporting Effective Instruction State Grants   | 84.367                    | 16-15196-3060-00                             |                                       | (1,379)                 |
| Pass-Through From National Writing Project  |                           |  |                                       |                         |
| Supporting Effective Instruction State Grants   | 84.367                    | 92-CA01-SEED2017-CRW                         |                                       | 276                     |
| Supporting Effective Instruction State Grants   | 84.367                    | 92-CA01-SEED2017-ILI                         |                                       | 1,273                   |
| <b>Total Supporting Effective Instruction State Grants</b>                                  |                           |  |                                       | <u>574</u>              |
| <b>Total Department of Education</b>  |                           |  | <u>10,100</u>                         | <u>1,025,108</u>        |
| <b>Department of Health and Human Services</b>  |                           |  |                                       |                         |
| Substance Abuse and Mental Health Services_Projects of Regional and National Significance   | 93.243                    |  |                                       | 79,192                  |
| Pass-Through From Regents of the University of California                                   |                           |  |                                       |                         |
| Foster Care_Title IV-E  | 93.658                    | 9250   | (12,500)                              | (9,767)                 |
| Foster Care_Title IV-E  | 93.658                    | 9896   |                                       | 1,857,525               |
| <b>Total Foster Care_Title IV-E</b>   |                           |  | <u>(12,500)</u>                       | <u>1,847,758</u>        |
| <b>Total Department of Health and Human Services</b>  |                           |  | <u>(12,500)</u>                       | <u>1,926,950</u>        |
| <b>Department of Justice</b>  |                           |  |                                       |                         |
| Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus | 16.525                    |  | 25,941                                | 85,944                  |
| <b>Total Department of Justice</b>  |                           |  | <u>25,941</u>                         | <u>85,944</u>           |
| <b>Department of Labor</b>  |                           |  |                                       |                         |
| Pass-Through From Humboldt County   |                           |  |                                       |                         |
| Workforce Innovation and Opportunity Act Rapid Response, Layoff Aversion                    | 17.U01                    | K7102030                                     | (105)                                 | (105)                   |
| Workforce Innovation and Opportunity Act Rapid Response, Layoff Aversion                    | 17.U02                    | K8106176                                     | 105                                   | 2,918                   |
| Workforce Innovation and Opportunity Act Rapid Response, Layoff Aversion                    | 17.U03                    | K911012                                      | 1,505                                 | 31,819                  |
| <b>Total Department of Labor</b>  |                           |  | <u>1,505</u>                          | <u>34,632</u>           |
| <b>Department of the Interior - Fish and Wildlife Services</b>                              |                           |  |                                       |                         |
| Youth Engagement, Education, and Employment Programs  | 15.676                    |  |                                       | 946                     |
| <b>Total Department of the Interior - Fish and Wildlife Services</b>                        |                           |  |                                       | <u>946</u>              |

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

| Federal Grantor/Pass through Grantor/<br>Program or Cluster Title   | Federal<br>CFDA<br>Number | Pass-Through Entity<br>Identifying<br>Number | Passed<br>Through to<br>Subrecipients | Federal<br>Expenditures |
|---|---------------------------|--|---------------------------------------|-------------------------|
| <b>Department of the Interior - National Park Service</b>   |                           |  |                                       |                         |
| National Park Service Conservation, Protection, Outreach. and Education   | 15.954                    |  |                                       | 11,691                  |
| National Park Service Conservation, Protection, Outreach. and Education   | 15.954                    |  |                                       | 25,874                  |
| National Park Service Conservation, Protection, Outreach. and Education   | 15.954                    |  |                                       | 370                     |
| National Park Service Conservation, Protection, Outreach. and Education   | 15.954                    |  |                                       | 9,876                   |
| National Park Service Conservation, Protection, Outreach. and Education   | 15.954                    |  |                                       | <u>11,748</u>           |
| <b>Total Department of the Interior - National Park Service</b>   |                           |  |                                       | <u>59,559</u>           |
| <b>Education, Department of (CDE)</b>   |                           |  |                                       |                         |
| Pass-Through From Regents of the University of California<br>Improving Teacher Quality State Grants                     | 84.367                    | ESSA18-CWP-HUMBOLDT                          |                                       | <u>21,563</u>           |
| <b>Total Education, Department of (CDE)</b>   |                           |  |                                       | <u>21,563</u>           |
| <b>Health Resources and Services Administration</b>   |                           |  |                                       |                         |
| Pass-Through From Regents of the University of California<br>Mental and Behavioral Health Education and Training Grants | 93.732                    | 9922   |                                       | <u>19,510</u>           |
| <b>Total Health Resources and Services Administration</b>   |                           |  |                                       | <u>19,510</u>           |
| <b>National Endowment For The Humanities</b>  |                           |  |                                       |                         |
| Promotion of the Humanities_Division of Preservation and Access   | 45.149                    |  |                                       | 13,270                  |
| Pass-Through From Humanities, California (CALHUM)<br>Promotion of the Humanities_Federal/State Partnership              | 45.129                    | HFAQ17-71                                    |                                       | <u>2,529</u>            |
| <b>Total National Endowment For The Humanities</b>  |                           |  |                                       | <u>15,799</u>           |
| <b>U.S. Department of State</b>   |                           |  |                                       |                         |
| Public Diplomacy Programs   | 19.040                    |  | 31,774                                | 106,402                 |
| <b>Total U.S. Department of State</b>   |                           |  | <u>31,774</u>                         | <u>106,402</u>          |
| <b>United States Coast Guard</b>  |                           |  |                                       |                         |
| Pass-Through From Boating & Waterways, California Department of (DBW)<br>Boating Safety Financial Assistance            | 97.012                    | C8962320                                     |                                       | <u>30,560</u>           |
| <b>Total United States Coast Guard</b>  |                           |  |                                       | <u>30,560</u>           |
| <b>Total Other</b>  |                           |  | <u>56,820</u>                         | <u>4,060,151</u>        |
| <b>Total Expenditures of Federal Awards</b>   |                           |  | <u>\$ 2,355,329</u>                   | <u>\$ 14,183,288</u>    |

## HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2019

### (1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Humboldt State University Sponsored Programs Foundation (the Foundation) under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Foundation, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Foundation.

### (2) Summary of Significant Accounting Policies

#### (a) Expenditures

Expenditures reported on the Schedule are reported on the cash basis of accounting with the exception of payroll and benefits which are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

#### (b) Pass-through Entities

Pass-through entity identifying numbers are presented where available.

### (3) Indirect Cost Rate

The Foundation has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2019**

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**Section I - Summary of Auditor's Results**

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**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

| <i>CFDA Number(s)</i> | <i>Name of Federal Program or Cluster</i> | <i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i> |
|-----------------------|---|---|
| Various               | Research and Development Cluster          | <i>Unmodified</i>   |

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No

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**Section II - Financial Statement Findings**

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None reported

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**Section III - Federal Award Findings and Questioned Costs**

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None reported